

# ***Town of Natick***

**2020 Special Town Meeting #1**

**Finance Committee  
Recommendation Book**



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**October 14, 2020**

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# **Finance Committee 2020 Special Town Meeting #1 Recommendation Book**

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**Finance Committee  
Town of Natick, Massachusetts  
October 14, 2020**

**2020 Special Town Meeting #1**

Greetings to all Town Meeting Members and Citizens of Natick,

The Finance Committee is pleased to present the 2020 Special Town Meeting #1 Recommendation Book. In accordance with the Town of Natick By-Laws, this report and recommendations are respectfully submitted for your consideration.

The Finance Committee met to consider the twenty STM Warrant Articles on September 24 and 29 and October 1, 6 and 13, 2020.

Please note that there is not a revised FY21 budget at this time nor is Free Cash available at the time of this publication. However, there is an updated State Aid forecast, which is detailed in the book.

Information provided to the Finance Committee on all Warrant Articles as well as relevant Town Meeting materials, including this Recommendation Book, are now available on the Finance Committee's newly created Town Meeting Member Resource website:

<https://sites.google.com/natickma.org/fincom>

This site will be updated throughout the Fall sessions.

We would once again like to express our thanks and appreciation for all the hard work and dedication contributed by all the Town officials, members of boards, committees and departments, as well as many concerned citizens, for their cooperation, participation, and openness during our public hearings.

Respectfully submitted,

Natick Finance Committee

Linda Wollschlager Chair  
Dirk Coburn  
Jeff DeLuca  
Michael Linehan  
Christopher Resmini

Todd Gillenwater, Vice Chair  
David Coffey  
Bill Grome  
Jerry Pierce  
Philip Rooney

Bruce Evans, Secretary  
Guimel DeCarvalho  
Julien LaFleur  
Richard Pope  
Jim Scurlock



October 8, 2020

Dear Town Meeting Members:

We hope during this crisis and difficult time that you and your families are well. We recognize that there has been much disruption in everyone's lives, and appreciate you taking the time to volunteer and participate in our community. With perseverance, planning, and patience we will get through this difficult time together.

However, we will need to coalesce around a common vision and recognize that the past does not define how we approach our future. By way of financial vision, Town Administration has and will continue to provide accurate data, analysis, and recommendations to the community and outline possibilities. Town Meeting will need to ultimately decide what it deems is in the best long-term interest for the Town. Sometimes fiscal recommendations will be different compared to what has been previously proposed and discussed at Town Meeting. For example, this Town Meeting Town Administration requests that tax-levy borrowing fund a super majority of capital requests. This will allow us to preserve our cash position as we plan for our future. We acknowledge that this differs from what the Town has done in the past, but then again managing through a pandemic is certainly unique. It is our opinion that we cannot be afraid to consider new perspectives and must continue to explore options, irrespective of whether they were proposed or rejected in the past.

In the very near term, the Town will need to determine how we will meet competing priorities and adopt realistic plans for our future. Covid-19 has brought with it a newfound sense of urgency and a need for creative thinking. This along with Town Administration's ability to provide transparent data to individuals and businesses will help as we design our future. We owe much to our employees, who have contributed to our community and at the same time recognize that increases in taxes must come from our residents, who are also under financial strain. We urge you to review our Financial Indicators and Forecast FY 22-25 available on the Town website to give you a sense of our most recent forecast. There are many unknown variables, but lacking specificity does not absolve us from our responsibility to prudently plan for our future. While we passed a status quo budget for FY 21 in July 2020, we are now standing at the proverbial crossroads and the time is nearing to decide which path we will take.

Within the coming year, the Town of Natick will need to decide if it wishes to shift resources from one department to another, reduce offered services, or consider an operational override. As we walk together into our future, we will need to be brutally honest with ourselves, about past spending,

recognizing developing needs and new trends, and what is required to operate our community. This is about what the Town of Natick is and what the Town of Natick wants to become and our identity.

Again, many thanks for your willingness to contribute. Stay strong and be well.

Very truly yours,

A handwritten signature in blue ink that reads "Melissa A. Malone". The signature is written in a cursive style with a large initial 'M'.

Melissa A. Malone

## **MEMO**

**To:** Town Meeting Members  
**From:** Natick Select Board  
**Date:** October 12, 2020  
**Subject:** *Select Board Recommendations for 2020 Special Town Meeting #1*

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The table below shows the recommendations of the Natick Select Board for consideration by Town Meeting members of certain articles on the 2020 Special Town Meeting #1 warrant.

The Board respectfully requests the consideration of Town Meeting members when these articles are brought up for action.

Article #	Article Title	Sponsor	<u>Select Board Recommendation to 2020 STM #1</u>		
			Date of Vote	Recommendation	Quantum
1	Fiscal 2021 Omnibus Budget	Town Administrator	9/30/2020	Favorable Action	5-0-0
2	Town Meeting Funding	Town Moderator & Town Clerk	10/7/2020	Favorable Action	4-0-0
3	Amend Town By-Laws: Amendment to Town By-law – Article 41A – Revolving Funds	Town Administrator	9/30/2020	No Action	5-0-0
4	Stabilization Fund	Town Administrator	9/30/2020	No Action	5-0-0
5	Operational/Rainy Day Stabilization Fund	Town Administrator	9/30/2020	No Action	5-0-0
6	Capital Stabilization Fund	Town Administrator	9/30/2020	No Action	5-0-0
7	Other Post-Employment Benefits (OPEB) Appropriation or Transfer of Funds	Town Administrator	9/30/2020	Favorable Action	5-0-0
8	Collective Bargaining	Town Administrator	9/30/2020	No Action	5-0-0
10	PEG Access and Cable Related Fund	Town Administrator	9/30/2020	Favorable Action	5-0-0
11	Rescind Authorized, Unissued Debt	Town Administrator	9/30/2020	No Action	5-0-0
12	Unpaid Bills	Town Administrator	9/30/2020	No Action	5-0-0
13	Capital Equipment	Town Administrator	9/23/2020	Favorable Action	4-0-0
14	Capital Improvement	Town Administrator	9/23/2020	Favorable Action	4-0-0
15	Increase Gross Receipts for Eligibility for Property Tax Deferral Program	Select Board	9/30/2020	No Action	5-0-0



Article #	Article Title	Sponsor	Select Board Recommendation to 2020 STM #1		
			Date of Vote	Recommendation	Quantum
17	Fox Hill Drive Sewer Betterment	Town Administrator	9/23/2020	Favorable Action	4-0-0
19	FY20 and FY21 COVID-19 Related Expenses of Natick Public Schools	Superintendent of Schools	As of October 12, the Select Board had not taken any action on a recommendation to Town Meeting		
20	Facilities Management Department	Cathi Collins, et al	10/7/2020	Refer to Sponsor and the Facilities Management Oversight Committee	4-0-0

Respectfully,

Natick Select Board  
Jonathan Freedman, Chair

Cc: M. Malone – Town Administrator  
F. Foss – Town Moderator  
D. Packer – Town Clerk  
L. Wollschlager – Chair, Finance Committee

## Summary of Finance Committee Recommendations on STM Warrant Articles 10/13/2020

<b>Art #</b>	<b>Title</b>	<b>Vote date</b>	<b>Recommendation</b>	<b>Quantum of Vote</b>
<b>1</b>	Fiscal 2021 Omnibus Budget	10/13	A: Favorable Action B: Favorable Action	A: 11-0-0 B: 11-0-0
<b>2</b>	Town Meeting Funding	10/1	Favorable Action	15-0-0
<b>3</b>	Amend Town By-Laws: Amendment to Town By-law – Article 41A – Revolving Funds	9/29	No Action	11-0-0
<b>4</b>	Stabilization Fund	10/6	No Action	14-0-0
<b>5</b>	Operational/Rainy Day Stabilization Fund	10/6	No Action	14-0-0
<b>6</b>	Capital Stabilization Fund	10/6	No Action	13-0-0
<b>7</b>	Other Post-Employment Benefits (OPEB) Appropriation or Transfer of Funds	10/6	Favorable Action	13-0-0
<b>8</b>	Collective Bargaining	9/24	No Action	10-0-0
<b>9</b>	Personnel Board Classification and Pay Plan	10/6	No Action	13-0-0
<b>10</b>	PEG Access and Cable Related Fund	9/29	Favorable Action	11-0-0
<b>11</b>	Rescind Authorized, Unissued Debt	9/29	No Action	11-0-0
<b>12</b>	Unpaid Bills	10/6	No Action	13-0-0
<b>13</b>	Capital Equipment	9/29 10/1 9/29 10/1	A: Favorable Action B: Favorable Action C: Favorable Action D: Favorable Action	A: 11-0-0 B: 15-0-0 C: 11-0-0 D: 15-0-0
<b>14</b>	Capital Improvement	9/29 10/1 9/29 9/29 9/29 9/29 9/29 9/29	A: Favorable Action B: Favorable Action C: Favorable Action D: Favorable Action E: Favorable Action F: Favorable Action G: Favorable Action H: Favorable Action	A: 11-0-0 B: 15-0-0 C: 11-0-0 D: 11-0-0 E: 11-0-0 F: 11-0-0 G: 10-1-0 H: 11-0-0
<b>15</b>	Increase Gross Receipts for Eligibility for Property Tax Deferral Program	9/29	No Action	11-0-0
<b>16</b>	Omnibus Financial Article	9/24	Referral	10-0-0
<b>17</b>	Fox Hill Drive Sewer Betterment	9/24	Favorable Action	9-0-0
<b>18</b>	Report and Discuss Town Meeting Practices and Rules Committee	9/10	Favorable Action	8-0-0
<b>19</b>	FY20 and FY21 COVID-19 Related Expenses of Natick Public Schools	10/13	Favorable Action	11-0-0
<b>20</b>	Facilities Management Department (Cathi Collins et. al)	9/24	Referral	8-1-0

**STM Warrant Articles Requested Appropriations**  
**10/13/2020**

<b>Art #</b>	<b>Title</b>	<b>Requested Appropriation</b>	<b>Source</b>
<b>1</b>	Fiscal 2021 Omnibus Budget	\$751,093	State Aid
<b>2</b>	Town Meeting Funding	\$50,000	State Aid
<b>7</b>	Other Post-Employment Benefits (OPEB)	\$250,000	State Aid
<b>10</b>	PEG Access and Cable Related Fund	\$158,185.44	PEG Access and Cable Related Fund
<b>13A</b>	Capital Equipment	\$1,284,627	Tax Levy Borrowing
<b>13B</b>	Capital Equipment	\$200,000	Water/Sewer Borrowing
<b>13C</b>	Capital Equipment	\$240,000	W/S Retained Earnings
<b>13D</b>	Capital Equipment	\$80,000	Golf Course Borrowing
<b>14A</b>	Capital Improvement	\$954,500	Tax Levy Borrowing
<b>14B</b>	Capital Improvement	\$3,930,000	Water/Sewer Borrowing
<b>14C</b>	Capital Improvement	\$150,000	Water/Sewer Retained Earnings
<b>14D</b>	Capital Improvement	\$24,984.90	Transportation Network Funds
<b>14E</b>	Capital Improvement	\$2,500,000	Borrowing
<b>14F</b>	Capital Improvement	\$700,000	I & I Stabilization Fund
<b>14G</b>	Capital Improvement	\$450,000	Transfers from previous borrowings
<b>14H</b>	Capital Improvement	\$1,328,601	Borrowing
<b>14H</b>	Capital Improvement	\$546,399	Transfers from previous borrowings
<b>17</b>	Fox Hill Drive Sewer Betterment	\$1,131,900	Borrowing; 25% from W/S Enterprise fund, 75% from Betterments
<b>18</b>	Town Meeting Practices and Rules Committee	\$5,000	Free Cash
<b>19</b>	FY20 and FY21 COVID-19 Related Expenses of Natick Public Schools	\$300,000	State Aid

**2020 STM#1 TOWN MEETING  
CONSENT AGENDA MOTION**

**Move that the Town take 2020 Special Town Meeting #1 Articles 3, 4, 5, 6, 8, 11, 12, and 15 out of order and that they be “Passed by Consent” in accordance with the Motions published in the Consent Agenda distributed in the Finance Committee Book of Recommendations.**

**ARTICLE 3 – Amend Town By-Laws: Amendment to Town By-law – Article 41A – Revolving Funds**

**MOTION: No Action**

**ARTICLE 4 – Stabilization Fund**

**MOTION: No Action**

**ARTICLE 5 – Operational/Rainy Day Stabilization Fund**

**MOTION: No Action**

**ARTICLE 6 – Capital Stabilization Fund**

**MOTION: No Action**

**ARTICLE 8 – Collective Bargaining**

**MOTION: No Action**

**ARTICLE 11 – Rescind Authorized, Unissued Debt**

**MOTION: No Action**

## **ARTICLE 12 – Unpaid Bills**

**MOTION: No Action**

## **ARTICLE 15 – Increase Gross Receipts for Eligibility for Property Tax Deferral Program**

**MOTION: No Action**

[end of motion]

Finance Committee Recommendations re: STM#1 Consent Agenda Articles

<b>3</b>	Amend Town By-Laws: Amendment to Town By-law – Article 41A – Revolving Funds	9/29	No Action	11-0-0
<b>4</b>	Stabilization Fund	10/6	No Action	14-0-0
<b>5</b>	Operational/Rainy Day Stabilization Fund	10/6	No Action	14-0-0
<b>6</b>	Capital Stabilization Fund	10/6	No Action	13-0-0
<b>8</b>	Collective Bargaining	9/24	No Action	10-0-0
<b>11</b>	Rescind Authorized, Unissued Debt	9/29	No Action	11-0-0
<b>12</b>	Unpaid Bills	10/6	No Action	13-0-0
<b>15</b>	Increase Gross Receipts for Eligibility for Property Tax Deferral Program	9/29	No Action	11-0-0

Respectfully submitted,

Frank W. Foss  
Natick Town Moderator

I \_\_\_\_\_ of Precinct \_\_\_\_\_, Natick hereby move to

Warrant as follows:

Move that the Town vote to \_\_\_\_\_

Vote: \_\_\_\_\_

An editable PDF of the Town Meeting Motion Form can be found at:

<https://www.natickma.gov/DocumentCenter/View/8048/Town-Meeting-Motion-Form>

## General Fund Revenue/Expenditure Summary - Fiscal Year 2021

	2019	2020	2021	2021	2020 v 2021 AP		2021 JAN v 2021 AP	
	Actual	Recap	January	Amended Prelim	\$ (+/-)	% (+/-)	\$ (+/-)	% (+/-)
<b>General Fund Revenues</b>								
Tax Levy	\$ 111,530,485	\$ 121,635,689	\$ 125,588,098	\$ 125,159,992	3,524,303	2.90%	(428,106)	-0.34%
State Aid	\$ 14,553,519	\$ 14,938,819	\$ 15,379,797	\$ 11,951,055	(2,987,764)	-20.00%	(3,428,742)	-22.29%
Local Receipts	\$ 17,659,742	\$ 17,901,540	\$ 16,908,655	\$ 12,531,078	(5,370,462)	-30.00%	(4,377,577)	-25.89%
<b>Other Local Receipts</b>								
Indirects	\$ 2,262,021	\$ 2,585,229	\$ 2,752,576	\$ 2,752,576	167,347	6.47%	-	0.00%
Free Cash	\$ 6,579,906	\$ 5,191,574	\$ 4,500,000	\$ 2,000,000	(3,191,574)	-61.48%	(2,500,000)	-55.56%
Stabilization Fund (s)	\$ 2,973,950	\$ 3,617,000	\$ 2,196,512	\$ 4,161,500	544,500	15.05%	1,964,988	89.46%
Overlay Surplus	\$ 500,000	\$ 500,000	\$ 1,000,000	\$ 1,000,000	500,000	100.00%	-	0.00%
Other Available Funds	\$ 308,393	\$ 291,309	\$ 282,740	\$ 282,740	(8,569)	-2.94%	-	0.00%
<b>Total General Fund Revenues</b>	<b>156,368,016</b>	<b>166,661,160</b>	<b>168,608,378</b>	<b>159,838,941</b>	<b>(6,822,219)</b>	<b>-4.09%</b>	<b>(8,769,437)</b>	<b>-5.20%</b>
<b>General Fund Expenses</b>								
	Actual	Recap	January	Amended Prelim	\$ (+/-)	% (+/-)	\$ (+/-)	% (+/-)
Education & Learning								
Natick Public Schools	\$ 64,952,436	\$ 67,810,346	\$ 71,203,231	\$ 67,097,246	(713,100)	-1.05%	(4,105,985)	-5.77%
Keefe Tech	\$ 1,594,984	\$ 1,554,748	\$ 1,601,390	\$ 1,334,398	(220,350)	-14.17%	(266,992)	-16.67%
Morse Institute Library	\$ 2,179,464	\$ 2,357,551	\$ 2,357,612	\$ 2,357,612	61	0.00%	-	0.00%
Bacon Free Library	\$ 177,621	\$ 190,792	\$ 198,194	\$ 182,306	(8,486)	-4.45%	(15,888)	-8.02%
Public Safety	\$ 16,473,105	\$ 16,802,303	\$ 16,517,943	\$ 17,171,627	369,324	2.20%	653,684	3.96%
Public Works	\$ 8,346,326	\$ 8,913,228	\$ 8,864,044	\$ 8,921,276	8,048	0.09%	57,232	0.65%
Health & Human Services	\$ 2,360,898	\$ 2,713,620	\$ 2,686,781	\$ 2,676,631	(36,989)	-1.36%	(10,150)	-0.38%
Administrative Support Services	\$ 5,608,818	\$ 7,766,070	\$ 7,748,007	\$ 6,630,119	(1,135,951)	-14.63%	(1,117,888)	-14.43%
Committees	\$ 101,297	\$ 120,550	\$ 120,550	\$ 115,550	(5,000)	-4.15%	(5,000)	-4.15%
Shared Expenses								
Fringe Benefits	\$ 14,918,523	\$ 16,756,666	\$ 17,125,904	\$ 16,938,091	181,425	1.08%	(187,813)	-1.10%
Prop & Liab. Insurance	\$ 742,467	\$ 847,150	\$ 863,972	\$ 863,972	16,822	1.99%	-	0.00%
Retirement	\$ 9,416,416	\$ 10,070,552	\$ 10,843,395	\$ 10,843,395	772,843	7.67%	-	0.00%
Debt Services	\$ 9,540,738	\$ 16,626,732	\$ 15,789,243	\$ 15,143,814	(1,482,918)	-8.92%	(645,429)	-4.09%
Reserve Fund	\$ 250,000	\$ 250,000	\$ 250,000	\$ 250,000	-	0.00%	-	0.00%
Facilities Management	\$ 2,923,926	\$ 3,490,001	\$ 3,647,390	\$ 3,552,324	62,323	1.79%	(95,066)	-2.61%
<b>General Fund Oper. Expenses</b>	<b>\$ 139,587,019</b>	<b>\$ 156,270,309</b>	<b>\$ 159,817,656</b>	<b>\$ 154,078,361</b>	<b>(2,191,949)</b>	<b>-1.40%</b>	<b>(5,739,295)</b>	<b>-3.59%</b>
Capital Improvements	\$ 2,973,950	\$ 3,617,000	\$ 2,196,512	\$ 1,861,500	(1,755,500)	-48.53%	(335,012)	-15.25%
School Bus Transportation	\$ 402,095	\$ 410,137	\$ 421,416	\$ 421,416	11,279	2.75%	-	0.00%
State & County Assessments	\$ 1,507,563	\$ 1,504,841	\$ 1,519,889	\$ 1,416,751	(88,090)	-5.85%	(103,138)	-6.79%
Cherry Sheet Offsets	\$ 468,705	\$ 359,312	\$ 362,905	\$ 320,913	(38,399)	-10.69%	(41,992)	-11.57%
Snow Removal Supplement	\$ 717,717	\$ 525,565	\$ 400,000	\$ 350,000	(175,565)	-33.41%	(50,000)	-12.50%
Overlay	\$ 1,591,768	\$ 1,150,000	\$ 1,150,000	\$ 1,150,000	-	0.00%	-	0.00%
Golf Course Deficit	\$ 240,000	\$ 240,000	\$ 240,000	\$ 240,000	-	0.00%	-	0.00%
General Stabilization Fund	\$ 250,000	\$ 250,000	\$ 250,000	\$ 250,000	(250,000)	-100.00%	(250,000)	-100.00%
Operational Stabilization Fund	\$ 500,000	\$ 250,000	\$ 250,000	\$ 250,000	(250,000)	-100.00%	(250,000)	-100.00%
Capital Stabilization Fund	\$ 2,400,000	\$ 1,519,347	\$ 1,500,000		(1,519,347)	-100.00%	(1,500,000)	-100.00%
One-to-One Technology Stab Fund		\$ -						
FAR Bonus Stabilization Fund	\$ -	\$ -						
OPEB Trust Fund	\$ 441,723	\$ 375,639	\$ 400,000		(375,639)	-100.00%	(400,000)	-100.00%
Misc. Articles	\$ 396,622	\$ 112,000	\$ 100,000		(112,000)	-100.00%	(100,000)	-100.00%
	\$ 11,890,143	\$ 10,313,841	\$ 8,790,722	\$ 5,760,580	(4,553,261)	-44.15%	(3,030,142)	-34.47%
<b>Total General Fund Expenses</b>	<b>\$ 151,477,162</b>	<b>\$ 166,584,150</b>	<b>\$ 168,608,378</b>	<b>\$ 159,838,941</b>	<b>(6,745,210)</b>	<b>-4.05%</b>	<b>(8,769,437)</b>	<b>-5.20%</b>
<b>Net Excess / (Deficit)</b>	<b>4,890,854</b>	<b>77,010</b>	<b>-</b>	<b>(0)</b>				



# General Fund Expenditure Summary - Fiscal Year 2021

This spreadsheet details the appropriations made at 2020 Spring Annual Town Meeting by department.

		2019	2020	2021	2021	2021	2020 vs. 2021 AP
		Actual	Appropriated	January	JAN - AP	Amended Prelim	\$ (+/-) % (+/-)
<b>Education &amp; Learning</b>							
<b>Natick Public Schools</b>							
Total Natick Public Schools		\$ 64,952,436	\$ 67,810,346	\$ 71,203,231	\$ (4,105,985)	\$ 67,097,246	\$ (713,100) -1.05%
Keefe Tech							
Expenses (Assessment)		\$ 1,594,984	\$ 1,554,748	\$ 1,601,390	\$ (266,992)	\$ 1,334,398	\$ (220,350) -14.17%
Total Keefe Tech		\$ 1,594,984	\$ 1,554,748	\$ 1,601,390	\$ (266,992)	\$ 1,334,398	\$ (220,350) -14.17%
Morse Institute Library							
Salaries & Expenses		\$ 2,179,464	\$ 2,357,551	\$ 2,357,612	\$ -	\$ 2,357,612	\$ 61 0.00%
Total Morse Institute Library		\$ 2,179,464	\$ 2,357,551	\$ 2,357,612	\$ -	\$ 2,357,612	\$ 61 0.00%
Bacon Free Library							
Salaries & Expenses		\$ 177,621	\$ 190,792	\$ 198,194	\$ (15,888)	\$ 182,306	\$ (8,486) -4.45%
Total Bacon Free Library		\$ 177,621	\$ 190,792	\$ 198,194	\$ (15,888)	\$ 182,306	\$ (8,486) -4.45%
Total Education & Learning		\$ 68,904,505	\$ 71,913,437	\$ 75,360,427	\$ (4,388,865)	\$ 70,971,562	\$ (941,875) -1.31%
<b>Public Safety</b>							
Emergency Management							
Salaries		\$ 3,639	\$ 5,000	\$ 5,000	\$	\$ 5,000	\$ - 0.00%
Expenses		\$ 28,550	\$ 34,100	\$ 34,100	\$	\$ 34,100	\$ - 0.00%
Total Emergency Management		\$ 32,189	\$ 39,100	\$ 39,100	\$	\$ 39,100	\$ - 0.00%
Parking Enforcement							
Salaries		\$ 23,299	\$ 114,144	\$ 114,144	\$ -	\$ 114,144	\$ - 0.00%
Expenses		\$ 88,166	\$ 104,833	\$ 104,833	\$	\$ 104,833	\$ - 0.00%
Total Parking Enforcement		\$ 111,465	\$ 218,977	\$ 218,977	\$ -	\$ 218,977	\$ - 0.00%
Police							
Salaries		\$ 7,410,753	\$ 7,329,967	\$ 7,163,205	\$ 181,868	\$ 7,345,073	\$ 15,106 0.21%
Expenses		\$ 281,928	\$ 304,813	\$ 303,613	\$ (3,000)	\$ 300,613	\$ (4,200) -1.38%
Total Police		\$ 7,692,681	\$ 7,634,780	\$ 7,466,818	\$ 178,868	\$ 7,645,686	\$ 10,906 0.14%
Fire							
Salaries		\$ 8,380,446	\$ 8,630,721	\$ 8,509,773	\$ 474,816	\$ 8,984,589	\$ 353,868 4.10%
Expenses		\$ 256,324	\$ 278,725	\$ 283,275	\$	\$ 283,275	\$ 4,550 1.63%
Total Fire		\$ 8,636,770	\$ 8,909,446	\$ 8,793,048	\$ 474,816	\$ 9,267,864	\$ 358,418 4.02%
Total Public Safety		\$ 16,473,105	\$ 16,802,303	\$ 16,517,943	\$ 653,684	\$ 17,171,627	\$ 369,324 2.20%

Public Works							
Salaries	\$ 3,585,137	\$ 3,951,855	\$ 4,041,259	\$ (85,268)	\$ 3,955,991	\$ 4,136	0.10%
Expenses	\$ 2,200,296	\$ 2,906,335	\$ 2,759,685	\$ 212,500	\$ 2,972,185	\$ 65,850	2.27%
Municipal Energy	\$ 1,491,457	\$ 1,505,038	\$ 1,513,100	\$ (70,000)	\$ 1,443,100	\$ (61,938)	-4.12%
Snow & Ice	\$ 1,069,437	\$ 550,000	\$ 550,000	\$ -	\$ 550,000	\$ -	0.00%
Total Public Works	\$ 8,346,327	\$ 8,913,228	\$ 8,864,044	\$ 57,232	\$ 8,921,276	\$ 8,048	0.09%
Community & Health Services							
Community Services							
Salaries	\$ 1,346,244	\$ 1,481,702	\$ 1,481,600	0	\$ 1,481,600	\$ (102)	-0.01%
Expenses	\$ 375,610	\$ 557,664	\$ 524,358	\$ -	\$ 524,358	\$ (33,306)	-5.97%
Total Community Services	\$ 1,721,854	\$ 2,039,366	\$ 2,005,958	\$ 0	\$ 2,005,958	\$ (33,408)	-1.64%
Board of Health							
Salaries	\$ 577,415	\$ 587,254	\$ 593,823	\$ -	\$ 593,823	\$ 6,569	1.12%
Expenses	\$ 61,629	\$ 87,000	\$ 87,000	\$ (10,150)	\$ 76,850	\$ (10,150)	-11.67%
Total Board of Health	\$ 639,044	\$ 674,254	\$ 680,823	\$ (10,150)	\$ 670,673	\$ (3,581)	-0.53%
Total Community & Health Services	\$ 2,360,898	\$ 2,713,620	\$ 2,686,781	\$ (10,150)	\$ 2,676,631	\$ (36,989)	-1.36%
Administrative Support Services							
Board of Selectmen							
Salaries	\$ 936,132	\$ 1,039,307	\$ 1,039,081	\$ 100,440	\$ 1,139,521	\$ 100,214	9.64%
Expenses	\$ 315,025	\$ 405,050	\$ 604,800	\$ (150,000)	\$ 454,800	\$ 49,750	12.28%
Contract Settlements		\$ 1,317,419	\$ 1,100,000	\$ (1,090,062)	\$ 9,938	\$ (1,307,481)	-99.25%
Total Board of Selectmen	\$ 1,251,157	\$ 2,761,776	\$ 2,743,881	\$ (1,139,622)	\$ 1,604,259	\$ (1,157,517)	-41.91%
Personnel Board							
Other Charges & Expenditures	\$ -	\$ 1,000	\$ 1,000		\$ 1,000	\$ -	0.00%
Total Personnel Board	\$ -	\$ 1,000	\$ 1,000		\$ 1,000	\$ -	0.00%
Town Report Professional Services							
Professional Services	\$ 4,100	\$ 4,100	\$ 4,100		\$ 4,100	\$ -	0.00%
Total Town Report	\$ 4,100	\$ 4,100	\$ 4,100		\$ 4,100	\$ -	0.00%
Legal							
Expenses	\$ 335,648	\$ 512,100	\$ 400,000		\$ 400,000	\$ (112,100)	-21.89%
Total Legal Services	\$ 335,648	\$ 512,100	\$ 400,000		\$ 400,000	\$ (112,100)	-21.89%
Finance							
Salaries	\$ 1,007,268	\$ 1,169,945	\$ 1,114,571	\$ 61,434	\$ 1,176,005	\$ 6,060	0.52%
Expenses	\$ 271,911	\$ 422,330	\$ 422,330		\$ 422,330	\$ -	0.00%
Total Finance	\$ 1,279,179	\$ 1,592,275	\$ 1,536,901	\$ 61,434	\$ 1,598,335	\$ 6,060	0.38%

Information Technology													
Salaries	\$	352,775	\$	415,138	\$	421,089	\$	(61,200)	\$	359,889	\$	(55,249)	-13.31%
Expenses	\$	991,623	\$	1,049,000	\$	1,160,000	\$	30,500	\$	1,190,500	\$	141,500	13.49%
Total Information Technology	\$	1,344,398	\$	1,464,138	\$	1,581,089	\$	(30,700)	\$	1,550,389	\$	86,251	5.89%
Town Clerk													
Salaries	\$	265,230	\$	274,185	\$	276,201	\$	-	\$	276,201	\$	2,016	0.74%
Expenses	\$	35,238	\$	51,150	\$	52,350	\$	(5,000)	\$	47,350	\$	(3,800)	-7.43%
Total Town Clerk	\$	300,468	\$	325,335	\$	328,551	\$	(5,000)	\$	323,551	\$	(1,784)	-0.55%
Elections													
Salaries (Registrars)	\$	58,188	\$	55,400	\$	98,150	\$		\$	98,150	\$	42,750	77.17%
Expenses (Registrars)	\$	43,220	\$	55,100	\$	55,500	\$		\$	55,500	\$	400	0.73%
Total Elections	\$	101,408	\$	110,500	\$	153,650	\$		\$	153,650	\$	43,150	39.05%
Sealer of Weights & Measures													
Salaries	\$	30,402	\$	30,400	\$	30,400	\$		\$	30,400	\$	-	0.00%
Expenses	\$	890	\$	990	\$	990	\$		\$	990	\$	-	0.00%
Total Sealer Weights/Meas.	\$	31,292	\$	31,390	\$	31,390	\$		\$	31,390	\$	-	0.00%
Community & Economic Development													
Salaries	\$	924,937	\$	881,756	\$	882,545	\$	-	\$	882,545	\$	789	0.09%
Expenses	\$	36,231	\$	81,700	\$	84,900	\$	(4,000)	\$	80,900	\$	(800)	-0.98%
Total Community & Economic Development	\$	961,168	\$	963,456	\$	967,445	\$	(4,000)	\$	963,445	\$	(11)	0.00%
Total Admin. Support Services	\$	5,608,818	\$	7,766,070	\$	7,748,007	\$	(1,117,888)	\$	6,630,119	\$	(1,135,951)	-14.63%
Commissions & Committees													
Finance Committee													
Expenses	\$	20,721	\$	37,800	\$	37,800	\$	(5,000)	\$	32,800	\$	(5,000)	-13.23%
Total Finance Committee	\$	20,721	\$	37,800	\$	37,800	\$	(5,000)	\$	32,800	\$	(5,000)	-13.23%
Commission on Disability													
Expenses	\$	59	\$	750	\$	750	\$		\$	750	\$	-	0.00%
Total Commission on Disability	\$	59	\$	750	\$	750	\$		\$	750	\$	-	0.00%
Natick Cultural Council													
Expenses	\$	68	\$	700	\$	700	\$		\$	700	\$	-	0.00%
Total Natick Cultural Council	\$	68	\$	700	\$	700	\$		\$	700	\$	-	0.00%
Historical Commission													
Expenses	\$	62	\$	750	\$	750	\$		\$	750	\$	-	0.00%
Total Historical Commission	\$	62	\$	750	\$	750	\$		\$	750	\$	-	0.00%
Historic District Commission													
Expenses	\$	387	\$	550	\$	550	\$		\$	550	\$	-	0.00%
Total Historic District Comm.	\$	387	\$	550	\$	550	\$		\$	550	\$	-	0.00%
Affordable Housing Trust													
Expenses	\$	80,000	\$	80,000	\$	80,000	\$	-	\$	80,000	\$	-	0.00%
Total Affordable Housing Trust	\$	80,000	\$	80,000	\$	80,000	\$	-	\$	80,000	\$	-	0.00%
Total Commissions & Committees	\$	101,297	\$	120,550	\$	120,550	\$	(5,000)	\$	115,550	\$	(5,000)	-4.15%

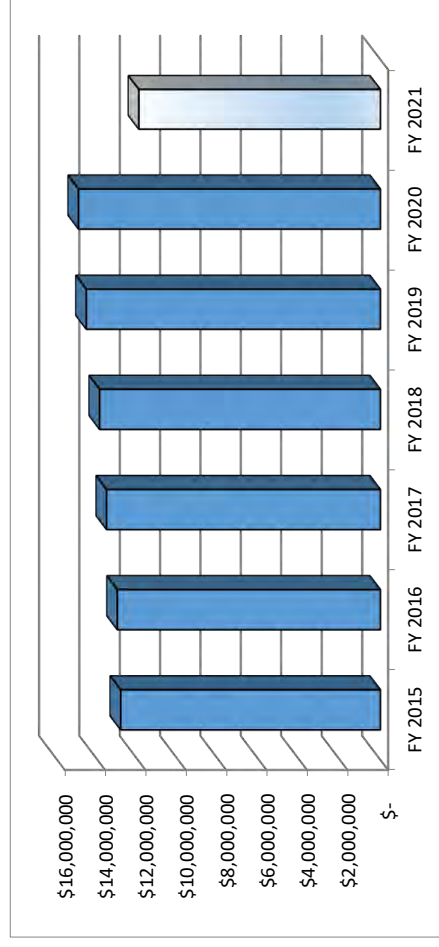
Shared Expenses (Unclassified)										
Employee Fringe Expenses Merit & Performance	\$	14,870,773	\$	16,606,666	\$	16,825,904	\$	112,187	\$	331,425
	\$	47,750	\$	150,000	\$	300,000	\$	(300,000)	\$	(150,000)
	\$	14,918,523	\$	16,756,666	\$	17,125,904	\$	(187,813)	\$	181,425
	\$	742,467	\$	847,150	\$	863,972	\$		\$	16,822
<b>Total Prop. &amp; Liab. Insurance</b>	<b>\$</b>	<b>742,467</b>	<b>\$</b>	<b>847,150</b>	<b>\$</b>	<b>863,972</b>	<b>\$</b>		<b>\$</b>	<b>16,822</b>
Contributory Retirement Pension Assessment	\$	9,393,294	\$	10,050,826	\$	10,825,274	\$		\$	774,448
	\$	9,393,294	\$	10,050,826	\$	10,825,274	\$		\$	774,448
	\$	17,593	\$	19,726	\$	18,121	\$		\$	(1,605)
	\$	17,593	\$	19,726	\$	18,121	\$		\$	(1,605)
<b>Total Non-Contributory Retire.</b>	<b>\$</b>	<b>17,593</b>	<b>\$</b>	<b>19,726</b>	<b>\$</b>	<b>18,121</b>	<b>\$</b>		<b>\$</b>	<b>(1,605)</b>
Debt Service Leased Equipment Leased Land Principal Interest	\$	172,607	\$	151,778	\$	159,350	\$	-	\$	7,572
	\$	3,900	\$	8,900	\$	9,500	\$	-	\$	600
	\$	7,027,870	\$	9,907,161	\$	9,935,603	\$	(585,012)	\$	(556,570)
	\$	2,336,361	\$	6,558,893	\$	5,684,790	\$	(60,417)	\$	(934,520)
<b>Total Debt Service</b>	<b>\$</b>	<b>9,540,738</b>	<b>\$</b>	<b>16,626,732</b>	<b>\$</b>	<b>15,789,243</b>	<b>\$</b>	<b>(645,429)</b>	<b>\$</b>	<b>(1,482,918)</b>
Reserve Fund Other Charges	\$	-	\$	250,000	\$	250,000	\$		\$	-
	\$	-	\$	250,000	\$	250,000	\$		\$	-
	\$	-	\$	250,000	\$	250,000	\$		\$	-
	\$	-	\$	250,000	\$	250,000	\$		\$	-
Shared Expenses (Unclassified) (con't)										
Facilities Management Salaries Expenses	\$	2,464,363	\$	2,819,501	\$	2,942,890	\$	(95,066)	\$	28,323
	\$	459,563	\$	670,500	\$	704,500	\$	-	\$	34,000
	\$	2,923,926	\$	3,490,001	\$	3,647,390	\$	(95,066)	\$	62,323
	\$	37,536,541	\$	48,041,101	\$	48,519,904	\$	(928,308)	\$	(449,505)
<b>Total Shared Expenses</b>	<b>\$</b>	<b>37,536,541</b>	<b>\$</b>	<b>48,041,101</b>	<b>\$</b>	<b>48,519,904</b>	<b>\$</b>	<b>(928,308)</b>	<b>\$</b>	<b>(449,505)</b>
<b>Total General Fund Operations</b>	<b>\$</b>	<b>139,331,491</b>	<b>\$</b>	<b>156,270,309</b>	<b>\$</b>	<b>159,817,656</b>	<b>\$</b>	<b>(5,739,295)</b>	<b>\$</b>	<b>(2,191,948)</b>

Reconciliation									
Total General Fund Operations		\$ 139,331,491	\$ 156,270,309	\$ 159,817,656	\$ (5,739,295)	\$ 154,078,361	\$ (2,191,948)		-1.40%
Other General Fund Appropriations									
Capital Equipment and Improvements	\$ 2,973,950	\$ 3,617,000	\$ 1,861,500	\$ -	\$ 1,861,500	\$ (1,755,500)			-48.53%
School Bus Subsidy	\$ 402,095	\$ 410,137	\$ 421,416	\$ -	\$ 421,416	\$ 11,279			2.75%
Misc. Articles	\$ 396,622	\$ 112,000	\$ 100,000	\$ (100,000)	\$ -	\$ (112,000)			-100.00%
Golf Course Deficit	\$ 240,000	\$ 240,000	\$ 240,000	\$ -	\$ 240,000	\$ -			0.00%
General Stabilization Fund	\$ 250,000	\$ 250,000	\$ 250,000	\$ (250,000)	\$ -	\$ (250,000)			-100.00%
Capital Stabilization Fund	\$ 2,400,000	\$ 1,519,347	\$ 1,500,000	\$ (1,500,000)	\$ -	\$ (1,519,347)			-100.00%
Operational Stabilization Fund	\$ 500,000	\$ 250,000	\$ 250,000	\$ (250,000)	\$ -	\$ (250,000)			-100.00%
One-to-One Tech Stabilization Fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -			0.00%
FAR Bonus Stabilization Fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -			0.00%
OPEB Trust Fund	\$ 441,723	\$ 375,639	\$ 400,000	\$ (400,000)	\$ -	\$ (375,639)			-100.00%
Total Other G/F Appropriations	\$ 7,604,390	\$ 6,774,123	\$ 5,022,916	\$ (2,500,000)	\$ 2,522,916	\$ (4,251,207)			-62.76%
Other General Fund Expenses (Not appropriated by Town Meeting)									
State & County Assessments	\$ 1,507,563	\$ 1,504,841	\$ 1,416,751		\$ 1,416,751	\$ (88,090)			-5.85%
Cherry Sheet Offsets	\$ 468,705	\$ 359,312	\$ 320,913		\$ 320,913	\$ (38,399)			-10.69%
Snow Removal Supplement	\$ 717,717	\$ 525,565	\$ 350,000		\$ 350,000	\$ (175,565)			-33.41%
Overlay	\$ 1,591,768	\$ 1,150,000	\$ 1,150,000		\$ 1,150,000	\$ -			0.00%
Total Other G/F Expenses	\$ 4,285,753	\$ 3,539,718	\$ 3,237,664	\$ -	\$ 3,237,664	\$ (302,054)			-8.53%
Total General Fund	\$ 151,221,634	\$ 166,584,150	\$ 168,078,236	\$ (8,239,295)	\$ 159,838,941	\$ (6,745,209)			-4.05%



**2-A State Aid Summary**

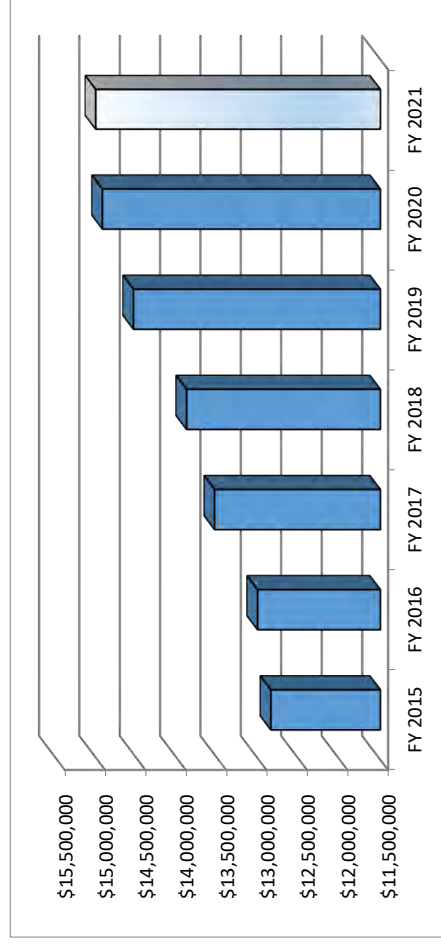
State Aid	Cherry Sheet FY 2015	Cherry Sheet FY 2016	Cherry Sheet FY 2017	Cherry Sheet FY 2018	Cherry Sheet FY 2019	Cherry Sheet FY 2020	Projection FY 2021	2020 vs. 2021	
								\$ (+/-) Change	% (+/-) Change
<b>A. EDUCATION</b>									
Chapter 70	\$ 8,681,240	\$ 8,816,665	\$ 9,117,845	\$ 9,281,825	\$ 9,762,979	\$ 10,120,767	\$ 8,096,614	\$ (2,024,153)	-20.00%
Charter School Tuition Reimbursement	\$ 130,472	\$ 28,576	\$ 67,389	\$ 24,111	\$ 25,004	\$ 39,555	\$ 31,644	\$ (7,911)	-20.00%
Off-Set: School Choice Receiving Tuition	\$ 233,152	\$ 245,600	\$ 306,642	\$ 386,099	\$ 420,863	\$ 309,427	\$ 247,542	\$ (61,885)	-20.00%
Off-Set: School Lunch	\$ 21,648	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
<b>Sub-Total, All Education Items</b>	<b>\$ 9,066,512</b>	<b>\$ 9,090,841</b>	<b>\$ 9,491,876</b>	<b>\$ 9,692,035</b>	<b>\$ 10,208,846</b>	<b>\$ 10,469,749</b>	<b>\$ 8,375,799</b>	<b>\$ 260,903</b>	<b>2.56%</b>
<b>B. GENERAL GOVERNMENT</b>									
Unrestricted General Government Aid	\$ 3,390,794	\$ 3,512,863	\$ 3,663,916	\$ 3,806,809	\$ 3,940,047	\$ 4,046,428	\$ 3,237,142	\$ (809,286)	-20.00%
Veterans Benefits	\$ 160,215	\$ 175,891	\$ 164,299	\$ 168,652	\$ 166,286	\$ 165,768	\$ 132,614	\$ (33,154)	-20.00%
Exemptions: Vets, Blind & Surviving Spouse	\$ 100,638	\$ 103,137	\$ 95,757	\$ 93,627	\$ 87,359	\$ 91,799	\$ 73,439	\$ (18,360)	-20.00%
State Owned Land	\$ 88,023	\$ 88,023	\$ 86,976	\$ 86,893	\$ 103,139	\$ 115,190	\$ 92,152	\$ (23,038)	-20.00%
Off-Set: Public Libraries	\$ 45,841	\$ 45,910	\$ 45,888	\$ 47,981	\$ 47,842	\$ 49,885	\$ 39,908	\$ (9,977)	-20.00%
<b>Sub-Total, All General Government</b>	<b>\$ 3,785,511</b>	<b>\$ 3,925,824</b>	<b>\$ 4,056,836</b>	<b>\$ 4,203,962</b>	<b>\$ 4,344,673</b>	<b>\$ 4,469,070</b>	<b>\$ 3,575,256</b>	<b>\$ 124,397</b>	<b>2.86%</b>
<b>C. TOTAL ESTIMATED RECEIPTS FOR FISCAL YEAR</b>	<b>\$ 12,852,023</b>	<b>\$ 13,016,665</b>	<b>\$ 13,548,712</b>	<b>\$ 13,895,997</b>	<b>\$ 14,553,519</b>	<b>\$ 14,938,819</b>	<b>\$ 11,951,055</b>	<b>\$ (2,987,764)</b>	<b>-20.00%</b>
Dollar Change From Previous Year	\$ 488,283	\$ 164,642	\$ 1,184,972	\$ 1,043,974	\$ 657,522	\$ 385,300	\$ (2,987,764)		
Percentage Change	3.95%	1.28%	9.10%	7.71%	4.73%	2.65%	-20.00%		
<b>Total State Aid</b>	<b>\$ 12,852,023</b>	<b>\$ 13,016,665</b>	<b>\$ 13,548,712</b>	<b>\$ 13,895,997</b>	<b>\$ 14,553,519</b>	<b>\$ 14,938,819</b>	<b>\$ 11,951,055</b>	<b>\$ (2,987,764)</b>	<b>-20.00%</b>

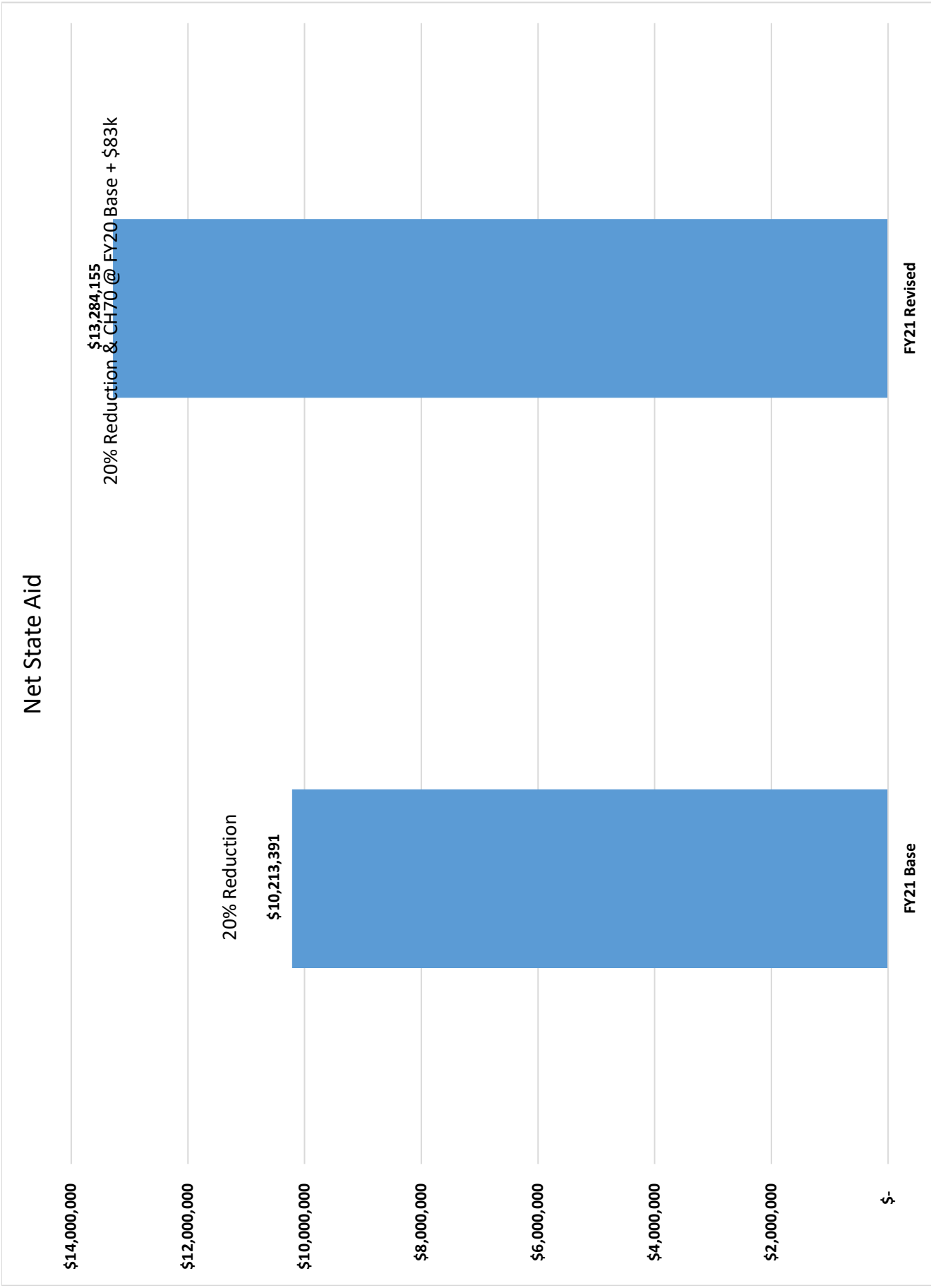




**2-A State Aid Summary**

State Aid	Cherry Sheet FY 2015	Cherry Sheet FY 2016	Cherry Sheet FY 2017	Cherry Sheet FY 2018	Cherry Sheet FY 2019	Cherry Sheet FY 2020	Projection FY 2021	2020 vs. 2021	
								\$ (+/-) Change	% (+/-) Change
<b>A. EDUCATION</b>									
Chapter 70	\$ 8,681,240	\$ 8,816,665	\$ 9,117,845	\$ 9,281,825	\$ 9,762,979	\$ 10,120,767	\$ 10,203,767	\$ 83,000	0.82%
Charter School Tuition Reimbursement	\$ 130,472	\$ 28,576	\$ 67,389	\$ 24,111	\$ 25,004	\$ 39,555	\$ 39,555	\$ -	0.00%
Off-Set: School Choice Receiving Tuition	\$ 233,152	\$ 245,600	\$ 306,642	\$ 386,099	\$ 420,863	\$ 309,427	\$ 309,427	\$ -	0.00%
Off-Set: School Lunch	\$ 21,648	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
<b>Sub-Total, All Education Items</b>	<b>\$ 9,066,512</b>	<b>\$ 9,090,841</b>	<b>\$ 9,491,876</b>	<b>\$ 9,692,035</b>	<b>\$ 10,208,846</b>	<b>\$ 10,469,749</b>	<b>\$ 10,552,749</b>	<b>\$ 260,903</b>	<b>2.56%</b>
<b>B. GENERAL GOVERNMENT</b>									
Unrestricted General Government Aid	\$ 3,390,794	\$ 3,512,863	\$ 3,663,916	\$ 3,806,809	\$ 3,940,047	\$ 4,046,428	\$ 4,046,428	\$ -	0.00%
Veterans Benefits	\$ 160,215	\$ 175,891	\$ 164,299	\$ 168,652	\$ 166,286	\$ 165,768	\$ 165,768	\$ -	0.00%
Exemptions: Vets, Blind & Surviving Spouse	\$ 100,638	\$ 103,137	\$ 95,757	\$ 93,627	\$ 87,359	\$ 91,799	\$ 91,799	\$ -	0.00%
State Owned Land	\$ 88,023	\$ 88,023	\$ 86,976	\$ 86,893	\$ 103,139	\$ 115,190	\$ 115,190	\$ -	0.00%
Off-Set: Public Libraries	\$ 45,841	\$ 45,910	\$ 45,888	\$ 47,981	\$ 47,842	\$ 49,885	\$ 49,885	\$ -	0.00%
<b>Sub-Total, All General Government</b>	<b>\$ 3,785,511</b>	<b>\$ 3,925,824</b>	<b>\$ 4,056,836</b>	<b>\$ 4,203,962</b>	<b>\$ 4,344,673</b>	<b>\$ 4,469,070</b>	<b>\$ 4,469,070</b>	<b>\$ 124,397</b>	<b>2.86%</b>
<b>C. TOTAL ESTIMATED RECEIPTS FOR FISCAL YEAR</b>	<b>\$ 12,852,023</b>	<b>\$ 13,016,665</b>	<b>\$ 13,548,712</b>	<b>\$ 13,895,997</b>	<b>\$ 14,553,519</b>	<b>\$ 14,938,819</b>	<b>\$ 15,021,819</b>	<b>\$ 83,000</b>	<b>0.56%</b>
Dollar Change From Previous Year	\$ 488,283	\$ 164,642	\$ 1,184,972	\$ 1,043,974	\$ 657,522	\$ 385,300	\$ 83,000		
Percentage Change	3.95%	1.28%	9.10%	7.71%	4.73%	2.65%	0.56%		
<b>Total State Aid</b>	<b>\$ 12,852,023</b>	<b>\$ 13,016,665</b>	<b>\$ 13,548,712</b>	<b>\$ 13,895,997</b>	<b>\$ 14,553,519</b>	<b>\$ 14,938,819</b>	<b>\$ 15,021,819</b>	<b>\$ 83,000</b>	<b>0.56%</b>







<u>Marginal Revenue Spending Plan by Article</u>		
<b>Revenue Update</b>		
Original State Aid Budget Assumption	\$	11,951,055
State Aid Update (post SATM 20)	\$	15,021,819
<b>Available State Aid</b>	<b>\$</b>	<b>3,070,764</b>
<b>Expense Articles</b>		
Article 1: FY21 Omnibus Budget	\$	751,093
Article 19: FY21 Covid19 related expenses of NPS	\$	300,000
Article 2: Town Meeting Funding	\$	50,000
Article 7: OPEB	\$	250,000
<b>Total</b>	<b>\$</b>	<b>1,351,093</b>
<b>Net Available State Aid</b>	<b>\$</b>	<b>1,719,671</b>

FY21	Current Budget		
Base Assessments	\$ 1,416,751	1344845	\$ 71,906
Base Offsets	\$ 320,913		
 FY21 June State Aid	 \$ 11,951,055		
FY21 July Update	\$ 15,021,819	\$ 3,070,764	
	FY21 Base	FY21 Revised	
Net State Aid	\$ 10,213,391	\$ 13,284,155	
		\$ 3,070,764	



Four -Year Projection

General Fund Revenues

	2022 Forecast	2023 Forecast	2024 Forecast	2025 Forecast	Comments
1 Tax Levy	129,621,274	133,229,327	137,079,567	140,737,073	2.5% Levy, \$700k - \$850k New Growth, plus debt exclusions
2 State Aid	13,519,637	13,925,226	14,342,983	14,773,272	Assumes 10% decline in FY22 with 3% annual increases after
3 Local Receipts	13,070,950	13,463,079	13,866,971	14,282,980	Assumes 3% growth annually
4 Other Local Receipts					
5 Indirects	2,663,368	2,703,318	2,743,868	2,785,026	Dependent on GF operating budget assuming 1.5%
6 Free Cash					Zeroed out for operational analysis
7 Stabilization Fund	500,000	500,000	500,000	500,000	Zeroed out for operational analysis
8 Overlay Surplus	273,992	266,614	257,110		Can change based on ATB liabilities
9 Other Available Funds				131,949	Parking Meter Receipts, Other State Remb., Bond Premiums for HS/CSC

Total General Fund Revenues 159,649,220 164,087,564 168,790,498 173,210,301

General Fund Expenses

Education & Learning					
10 Natick Public Schools	69,110,163	71,183,468	73,318,972	75,518,541	Assumes over 60% of Gen Fund ops. Less shared
12 Keefe Tech	1,334,398	1,367,758	1,401,952	1,437,001	Assumes 2.5% of Increase
13 Morse Institute Library	2,347,603	2,389,469	2,423,674	2,466,456	Assumes Avg increase of 1.7%
14 Bacon Free Library	132,445	134,244	136,080	137,952	Assumes Avg increase of 1.4%
15 Public Safety	17,634,302	18,009,523	18,361,262	18,711,549	Assumes Avg increase of 2.0%
16 Public Works	9,046,194	9,190,852	9,332,984	9,476,313	Assumes Avg increase of 1.6%
17 Health & Human Services	2,579,580	2,623,334	2,656,318	2,693,465	Assumes Avg increase of 1.5%
18 Administrative Support Services	6,642,906	6,742,478	6,855,076	7,002,444	Assumes Avg increase of 1.8% (CBA line has been distributed)
19 Committees	115,500	115,500	115,500	115,500	Assumes level funding
20 Shared Expenses					
21 Fringe Benefits	16,924,233	17,093,475	17,264,410	17,437,054	Assumes 1% Increases (will vary dependent upon plan changes)
22 Prop & Liab. Insurance	907,171	952,529	1,000,156	1,050,163	Assumes Avg increase of 5%
23 Retirement	11,691,296	12,509,687	13,385,365	14,322,340	Assumes 7% Increases less Non-Contributory Retirement
24 Debt Service	15,331,359	15,724,607	16,016,746	15,813,822	Based on capital plan debt service schedule
25 Reserve Fund	250,000	250,000	250,000	250,000	Level-Funded
26 Facilities Management	3,730,121	3,824,325	3,904,097	3,986,336	Assumes 2.2% Increase

General Fund Oper. Expenses 157,777,270 162,111,250 166,422,591 170,418,936

Capital Improvements					Zeroed out for operational analysis
27 School Bus Transportation	431,951	442,750	453,819	465,164	Assumes 2.5% annual Increase
28 State & County Assessments	1,358,293	1,371,876	1,385,595	1,399,451	Assumes 1% annual Increase
29 Cherry Sheet Offsets	324,122	327,363	330,637	333,943	Assumes 1% annual Increase
31 Snow Removal Supplement	450,000	450,000	450,000	450,000	Assumes Snow & Ice costs of \$1M
32 Overlay	1,000,000	1,000,000	1,000,000	1,000,000	Varies dependent upon valuations, revaluation years
33 Golf Course Deficit	245,000	245,000	245,000	245,000	Assumes level funding
34 General Stabilization Fund					Zeroed out for operational analysis
35 Operational Stabilization Fund					Zeroed out for operational analysis
36 Capital Stabilization Fund					Zeroed out for operational analysis
37 OPEB Trust					Zeroed out for operational analysis
38 Misc. Articles					Zeroed out for operational analysis

Total General Fund Expenses 161,586,637 165,948,240 170,287,642 174,312,495

Net Excess / (Deficit) -1,937,417 -1,860,676 -1,497,144 -1,102,195

## Finance Committee Errata Sheet

1. In the Letter to Town Meeting from the Finance Committee dated October 7, 2020, the **STM Warrant Articles Requested Appropriations** chart contained several errors:
  - A requested appropriation for Article 18 Town Meeting Practices and Rules Committee was omitted. The amount should be \$5,000 sourced from Free Cash.
  - For Article 2 Town Meeting Funding, the funding source should be Free Cash, not State Aid.
2. In the **Fall Annual Town Meeting Recommendation Book**, the quantum of vote for Article 23, Motions A, B and C should be majority, not 2/3.

These errors have been corrected in the online versions of the Letter and the FATM Recommendation Book.

**ARTICLE 1**  
**Fiscal 2021 Omnibus Budget**  
**(Town Administrator)**

**ARTICLE LANGUAGE**

To see what sum of money the Town will vote to raise and appropriate, transfer from available funds or otherwise provide for the operation of the government of the Town of Natick, including debt and interest, during Fiscal Year 2021 (July 1, 2020 through June 30, 2021) and to provide for a reserve fund for Fiscal Year 2021, and to see what budgets for Fiscal 2021 will be reduced to offset said additional appropriations; or otherwise act thereon.

**PURPOSE OF THE ARTICLE**

To adjust any of the operating budgets of the various town and/or School Department based on changes to revenues, costs of programs and services and other factors.

**FINANCE COMMITTEE PUBLIC HEARING AND DISCUSSION – OVERVIEW**

The Finance Committee met to discuss Article 1 on October 1 and moved Favorable Action on Motions A and B. The Finance Committee met on October 13, 2020 to reconsider Article 1 based on new information received from the Town Administrator and School Superintendent who have been discussing how to fund the increased salaries and expenses related to the COVID-19 pandemic and determined that it would be funded in two parts:

- Article 1 Motion A would add \$500,000 to the Reserve Fund – Finance Committee line item.
- Article 19 requesting \$300,000 from State Aid to address these added expenses resulting from COVID-19 and the required changes needed to open Natick Public Schools.

On October 13, 2020, the Finance Committee voted Favorable Action on Article 1 Motion A 11 – 0 – 0 and re-affirmed its Favorable Action vote on Article 1 Motion B by a vote of 11 – 0 – 0.

**FINANCE COMMITTEE RECOMMENDATION – MOTION A**

The Finance Committee took the following action:	RECOMMENDATION:	<b>Favorable Action</b>
	QUANTUM OF VOTE:	<b>11-0-0</b>
	DATE VOTED:	<b>October 13, 2020</b>

### **MOTION A (Requires a Majority Vote)**

Move that the Town vote to increase the appropriation voted by the 2020 Spring Annual Town Meeting under Article 8 for the following budgets by the sum of \$751,093, said sum to be distributed as follows:

- To supplement the Shared Expenses budget as voted under Article 8 Motion G of the 2020 Spring Annual Town Meeting by adding \$118,828 to the Debt Service budget.
- To supplement the Shared Expenses as voted under Article 8 Motion G of the 2020 Spring Annual Town Meeting by adding \$100,000 to the Employee Fringe budget for the benefits reserve line item.
- To supplement the Shared Expenses as voted under Article 8 Motion G of the 2020 Spring Annual Town Meeting by adding \$500,000 to the Reserve Fund – Finance Committee line item.
- To supplement the Public Safety Budget as voted under Article 8 Motion B1 of the 2020 Spring Annual Town Meeting by adding \$32,265 to the Police Department Budget for police salaries.

With the above Budget be raised from following sources:

State Aid for Fiscal Year 2021	<b>\$751,093</b>
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### **FINANCE COMMITTEE PUBLIC HEARING AND DISCUSSION – MOTION A**

**October 16, 2020**

Presenter:

Ms. Melissa Malone, Town Administrator

Ms. Malone said that she and Dr. Nolin have had numerous fruitful discussions over the past few weeks. These discussions culminated in an amended Article 1 Motion A that adds \$500,000 to the Reserve Fund – Finance Committee line item, sourced from FY 21 State Aid. When added to the \$250,000 already in the Reserve Fund – Finance Committee line the total is now \$750,000. These funds are available to any department that provides a justification to the Finance Committee that they need this money prior to the 2021 Spring Annual Town Meeting. Ms. Malone noted that this was a good resolution for both the town and Natick Public Schools. We are confident that this is something that town meeting can support as well.

The Chair of the Finance Committee added that this Reserve Fund is controlled by the Finance Committee and any appropriations from that fund to a town department would have to be voted on by the Finance Committee.

A member asked why the HVAC updates to the schools weren't funded by borrowing rather than cash. Ms. Malone said that the town is choosing to fund it with cash because it plans to go out into the bond market for a \$4 million borrowing the week of November 16, assuming the monetary items and special town meeting #1 are approved in debt ratio to our revenue.

A member asked whether this potential \$500,000 would cover the school department's needs to cover the COVID expenses. Dr. Nolin said the \$500,000 in Article 1 Motion A, the funds requested in Article

19 (\$300,000 from State Aid), plus NPS' use of Circuit Breaker funds of \$276,000 will, hopefully, cover the incremental COVID-related expenses that are projected at \$861,000.

A member asked whether the School Committee has approved this approach. Dr. Nolin said the School Committee met on Friday, October 9 and voted to support two motions, depending on whether Article 1 Motion A passes or not. If it passes, then we will pursue the funding I outlined earlier. If it does not pass, we will seek the full amount of roughly \$861,000 in Article 19.

A member noted that a lot of hard work has occurred on both the town side and the school side. This is uncharted water and it's been very difficult on both sides to balance the needs of the whole town. This is an outstanding compromise. The town doesn't know how things are going to pan out as we go further into this COVID journey, but we need to retain financial flexibility and stated that this approach is consistent with that. Multiple members expressed appreciation that the Town Administrator and Superintendent were able to iron things out and come up with this very reasonable budget.

A member noted they were thrilled to see our two leaders come together and propose something that is such a good compromise and a good solution. The Finance Committee will definitely do its due diligence to ensure any requests for funding are properly vetted.

### **October 1, 2020**

On October 1, the Finance Committee met to consider Article 1 and voted 10-1-1 to approve an amended version of the Town Administrator's motion. The original motion included an additional \$30,000 to fund a position in the Community Development Budget. This item was removed by the Finance Committee:

- **To supplement the Administrative Support Services Budget as voted under Article 8 Motion E of the 2020 Spring Annual Town Meeting by adding \$30,000 to the Community Development Department Budget for salaries.**

Presenter: Mr. John Townsend

On October 1, Townsend reviewed the items in this budget adjustment:

# Town Budget Adjustments

Budget	Original	Request	Revised	Notes
Shared – Debt Service	\$15,143,814	\$118,828	\$15,262,642	Adjustment to debt service payments
Shared – Benefits Reserve	\$55,000	\$100,000	\$155,000	Additional health insurance costs
Police -	\$7,602,700	\$32,265	\$7,634,965	Additional traffic officer – 6 months FY21
Community Development	\$947,045	\$30,000	\$977,045	New position 6 Months FY21

1. The original debt service budget was \$15,143,814. We are requesting a \$118,828 adjustment. The reason for this adjustment is that we did some refinancing of our debt earlier in the summer. Unfortunately, in making the calculations on the budget projections, we made a mistake in the above amount, so this is a correction of that mistake.
2. Under benefits reserved request, the original budget was \$55,000 and the request is for an additional \$100,000 to get a revised amount of \$155,000. The benefits reserve fund is a line item to account for additional expenses with regards to our health care benefits. We are probably going to be looking at more of an increase as we go forward. Another part is that some people who are unemployed will go on their spouse's insurance program, so we wanted to be cautious to ensure we had sufficient funds in that reserve account so we can provide for insurance for all the town employees.
3. The third request is to add a police officer to the budget for traffic enforcement. The original police budget is \$7,602,700 and we are requesting \$32,265 for a total revised amount of \$7,634,965. Chief Hicks said that the original FY21 budget requested two additional police officers to assist with traffic enforcement and traffic safety. These positions were eliminated due to the financial situation and budget restrictions. This request is to add one officer on January 1, 2021.

The reason is that we've seen an increase in issues around traffic and traffic safety, specifically in neighborhoods, which include speeding, violation of stop signs, crosswalks, as well as an



increase in crashes. As COVID hit, people were staying home and there was less traffic. We've had an increasing amount of complaints from residents throughout the town. We currently have 150 different complaints in every part of town relating to traffic safety.

In addition, since people started returning back to work, the frequency of traffic crashes and responses to traffic crashes has also increased. Previously we had a Traffic Safety Office and we were able to do three things – Education, Enforcement and Engineering. The education piece includes the traffic trailers we put up that tell you what your speed is; doing traffic counts to determine the best time to do enforcement. When we try to do this with officers who are on patrol, what inevitably ends up happening is that they get assigned an area and they have to go to a call. What ends up happening is they never come back to that area for that shift, and sometimes for several days, and many of the residents are getting very frustrated. The addition of this position also allows us to get back to the education piece, get back to that engineering, and get back to being able to do traffic safety on a regular basis.

4. The final item in Motion A is the community development budget. The original budget was \$947,045 that adds \$30,000 for a development review planner for a total revised budget of \$977,045. Mr. Errickson stated that for many years, CED has been short-staffed. The CED office handles all of the permitting for the Town including building permits, as well as any special permits and any land use permits that need to go through the Conservation Commission, the ZBA, the Planning Board, and that equates to well over 5,000 permits a year.

The Department also needs to provide services to a lot of boards and Committees in town or dealing with community and, economic development, short- and long-range planning, and land use and zoning. The current staff is only three technical planners, as well as three admin staff who support not only CED but the building Department and the land use boards: the Conservation Commission, the ZBA and the Planning Board. The town is not able to provide those volunteer boards and bodies with the review and oversight with the current staffing. Now is the opportune time to change this staffing model, with the desired migration of our permit system a cloud-based system, which does require a more technical review process. This process will be more efficient and predictable to both the development community and our volunteer boards and committees. On the back end, we can have a better enforcement capability. This position will work with, for example, our building Department to ensure that what was approved by the Planning Board or the ZBA with regards to landscaping, lighting, sustainability stormwater, is actually what's built in the field. Right now, this work is not being done quite as thoroughly as we'd like it to be as a community.

Another benefit of the position is that it will allow for work on the implementation of a multi-year comprehensive master plan. You may recall the Natick 2030 + master plan that was developed and endorsed by the Planning Board was paid for with taxpayer dollars. The ability to ensure that new developments are compliant with that plan is a job in itself. Furthermore, there

are many steps in that plan such as land use and new zoning that, the community has said it would like to see move forward.

CED will also be able to take on some more technical issues like the zoning rewrites and things like that which are identified in the master plan, letting them advance those per the desires of the community. That's the general flavor of this position. And it will be more of what is considered in planning world, you know, an entry level or fresh out of grad school, with a handful of years of experience coming into the position. This position will not be at the senior planner level, but will provide much needed support services. On average, the Building Department and CED brings in about \$2 million annually, and spends just shy of that it spends about \$900,000 annually.

### **Committee Questions**

A member noted that this is a town-wide budget adjustment and asked if there were any budget adjustments requested by the schools. Mr. Townsend said that they did not received any requests from the schools regarding Article 1 and stated that article 19 is the article regarding their COVID expenses.

A member asked whether there were any specific requests from the Board of Health. Mr. Townsend said a certain amount of CARES money was assigned to the Board of Health to cover things like contact tracing and some additional time with regards to sanitation inspections

A member asked if the new CED position is included in the personnel pay plan. Ms. Malone said it is not, but noted that the Personnel Board is in the process of meeting.

A member asked what happens if that position is not approved. Ms. Malone said, given the importance of the permitting revenue and the needs of the Department, my hope is that that position would be approved and the need would be recognized.

A member asked for clarification that the police officer would be a permanent position. Chief Hicks said this would be a permanent position that would start in January. At this time, based on the financial position of the town, I'm requesting one for the second half of FY 21 and this will be a permanent position that will be included in the FY 22 police Department budget.

A member asked about the typical duties of a police officer on patrol. Chief Hicks said the number one demand is answering calls for service and that has a myriad amount of calls, whether it is alarm calls, domestic calls, disturbance calls. Right now, we have a lot of larcenies and mall shoplifting so they're responding to those calls for service. It creates a problem when these patrol officers are assigned to traffic enforcement then called away because a call for service comes in, and they respond and many times, they finish that call up if there's an arrest or report to be done and never get an opportunity to go back to the original assignment that does deals with traffic. Chief Hicks said they have received 150 complaints about traffic and speeding.

A member noted that the CED Department is moving to an online permitting system and hoped that, through that process, the town will start seeing efficiencies. Mr. Errickson said one of the benefits of moving to an online permitting system is the ability to provide our permitting services more efficiently. We expect to gain efficiencies not only for our admin staff, but all our staff because we can automate a lot of triggers for reviews by different Departments in town such as the Health Department, DPW, and others and have those other Departments be able to view those same documents in one online permitting system.

This will likely lead to an increase in just number of permit applications, because if it's cumbersome for an applicant to go through the application process, they don't do that and we're seeing that people choose not to apply for a permit. We know that that's happening today and it's usually the smaller permits, like the building permits, like a plumbing as simple plumbing job. But with a simplified process, in other communities that have implemented an online permitting system, we've seen an increase in number of permits because people realize how easy it is to apply for a permit.

Our current admin staff is already not getting to everything on that list on a regular basis. In years past, we had consistently hired part-time employees to handle some of the basic paperwork that piles up and the staff is unable to get to given their many demands. Further, the online permitting system will allow them to also then handle a lot of the administrative tasks that go along with the land use boards that is also not happening today. Right now, we have to pay overtime to some of our admin staff, not only to attend meetings, but then to do some additional tasks related to those meetings.

A member asked whether there was an increase in traffic accidents as compared with previous years. Chief Hicks said he didn't have the figures since March 2020 yet to compare with previous years, but anecdotally there seem to be more accidents.

A member asked, with the increase in residential complaints, how has the need for enforcement and complaints around their commercial areas changed in the last few months. Chief Hicks said shoplifting calls from the mall and route 9 shopping areas dramatically decreased because those stores were not open. However that has shifted more to increased residential calls such as domestic disturbances domestics that overall calls went up. Now, since the mall has opened back up, we anticipate that the commercial calls will increase.

A member asked whether the additional health insurance include the new positions requested. Mr. Townsend said the new positions would be covered under the existing allocations for health insurance

### **Public comments**

Mr. Foss, Town Moderator, said his understanding was the Town was going to get additional state aid following the creation of the FY 21 budget, including aid for education purposes. Mr. Townsend said the additional state aid was \$2.9 million.

Mr. Foss asked how much of that state aid are we spending at Fall Annual Town Meeting. Ms. Malone said the total was around \$340,000. Mr. Foss said if you deduct that from \$2.9 million that leaves \$2.5 million in un-appropriated state aid - is that falling to free cash? Ms. Malone said, at Spring Annual Town Meeting in late July, we had an expectation that we do would have a state budget by now. Subsequent to July, we received that \$2.9 million of state aid, but we do not have a budget that the Commonwealth has ratified for FY 21. Our recommendation to the Finance Committee and Town Meeting is to preserve \$2.5 million dollars to and come back in the spring and review where we are financially. We feel confident that no Department will run out of money prior to Spring Annual Town Meeting. We've completed an assessment of historic encumbrances and think that that would be most appropriate given these extraordinary times that we're living in to be cautious in our spending.

Mr. Foss noted that the town typically has turn-backs around \$2 – \$3 million in free cash. Added to this state aid, would wouldn't this total be or \$4.5 – \$5 million?

Ms. Malone said they are hopeful that we will receive the certified free cash number coincident with the early part of Fall Annual Town Meeting. Given what we know about the economic uncertainty and what we don't know in the volatility, our recommendation is to preserve the free cash and any excess levy in the spring.

Mr. Foss asked why the Natick Public School's request is not part of Article 1, given that the request provided by the Superintendent and the School Committee notes that many of those requests were recurring costs or operational costs, even though they may have been caused by COVID-19. Normally, operational costs are addressed under the Omnibus Budget article, so why aren't they included in Article 1?

Ms. Malone said Town Administration did not receive a specific request from the School Department. When we look across all Departments, we may have some losses and we also may have some savings depending on what happens between October and March. We think it's most prudent, given the balances that all the Departments have, to preserve the state aid and free cash. Last year, the School Department balance as of April 30, taking into account and removing any encumbrances was \$20 million. We certainly recognize the School Department's importance to the community by the amount of money that we've allocated to the Schools via the cares act (\$2.9 million of the \$3.2 million that Natick received).

Mr. Foss said he would like to hear from the School Superintendent if there are costs that are not COVID-related that the School Committee might have incorporated in the Omnibus Budget if they had known that State Aid was going to be available as well as the potential free cash funding.

Mr. Foss noted that we made a promise to Town Meeting that the town was going to make an analysis and then suggest alterations and changes that would occur in the fall would bring us more in sync with where our budget should be. I question whether we have fulfilled that promise.

Dr. Anna Nolin, School Superintendent, said that with Chapter 70 money coming in at a greater number than predicted in our budgeting scenario in the spring, the School Committee has add-backs in mind. We

were told that there would be no amendments to the Omnibus Budget and would be dealing with those pieces in the spring. We were given the same explanation as given here tonight – that no Department is going to run out of money and that we really need to get through Fall Annual Town Meeting quickly so the town can set a tax rate. Dr. Nolin reminded the committee that our teachers took 0% COLA and NPS cut seven position positions in addition to making lots of other adjustments to services to children.

Relative to the discussion of the four year charting of our April revenue and having \$20 million left over each April, if you look at the balances without understanding that encumbrances make up the majority of those \$20 million. As you know, most of the school Department budget is salaries, and if we are not respecting those encumbrances, we are failing in our promise to pay our teachers and staff, which then would mean layoffs mid-year, April. That would result in unemployment costs or furlough costs. The school Department is on the hook for that right now and we believe it is not a sound process to ride the wave of potential expenses without bringing them forward in the fall.

There's also some confusion about incurred cost and non-incurred costs that are applied differently on town and school sides. There's money in Capital Stabilization being put aside for costs that are not incurred and in OPEB for costs not incurred. The overlay was beefed up by \$500,000 for costs not incurred in the business community. So I think it's prudent as Ms Malone has made her case to continue to forecast what those costs may be, but what I brought to you are the incurred costs to date. Finally, the COVID article (STM Article 19) came about because this avenue of adjustment (Omnibus budget) was not made available to NPS.

A member agreed with the first three bullets, but has several issues with the CED position. First, this hasn't gone through the personnel pay plan and that should happen first in my opinion. Second, this Department will experience a potential structural change in how they do everything in terms of procedures, policies, and workload, if they adopt the online permitting system so I'm reluctant to fund the position for Department that will undergo a large technical change. Further, we heard tonight that commercial real estate will have its challenges moving forward, with vacancies across the board in the state. In the local area, we have high stress projections for the next year or two for multifamily units and that's 5+ units and industrial/retail. The net is that with the decline in these areas, I would expect that permits would decrease and not be as high as they previously were. On the residential side, there have been some upticks recently in permits. But as unemployment in the state has been incredibly high, at points the highest in the country, I think that that's going to end up catching up with what people have for disposable income for permits for projects going forward. This might be a position that might be needed in a year or two but not right now, given the budget constraints.

A member agreed about the timing of the addition of this position and found that the implementation of the online permitting system should proceed first.

A member said he did not oppose any of the particular things proposed here – there are some that absolutely need to happen. I do not feel that town administration has completed a comprehensive review of needs and prioritization, so I will abstain.

A member supported the amended motion and noted that, earlier in the beginning of the year, Fire Chief Lentini said he would need to add a firefighter per year for the next 2 to 3 years to get the Fire Department at a full staffing level and that was deferred. Chief Hicks requested the addition of two police officers for traffic enforcement because there is a need to respond to the complaints lodged by the community. The School Department budget has been frozen and positions are not being filled as a result of COVID. He said he can't support adding this CED position when we have other more critical basic services that aren't being staffed.

A member noted that it's distressing to hear about the process or lack thereof of Article 1 coming to us without a fully comprehensive assessment of priorities across the entire town. I'm concerned that there is a likely five year process to get back to normal revenues and funding and there still may be projected shortfalls. The member called for analysis of how every part of the town can save money while preserving core services such as public safety, education and other areas in our town.

A member supported the amended motion, citing the absence of the CED position on the Personnel Pay Plan as one issue. More importantly, some of the other things that people have brought up about how we aren't really seeing an overall budget are valid. We aren't doing the kind of tradeoffs that we did when we looked at the June 8 budget changes from the proposed FY 21 budget from January. The January budget included two LFNR positions to handle the new parks as well as two custodians to handle the increased demand to the opening of the new Kennedy Middle School.

## **FINANCE COMMITTEE RECOMMENDATION – MOTION B**

The Finance Committee took the following action:	RECOMMENDATION:	<b>Favorable Action</b>
	QUANTUM OF VOTE:	<b>11-0-0</b>
	DATE VOTED:	<b>October 13, 2020</b>

### **MOTION B (Requires a Majority Vote)**

Move that the Town vote to amend Article 8 Motion G of the 2020 Spring Annual Town Meeting as follows:

After the phrase “And that the above Total Budget Amount be raised from the following sources:”, delete the phrase “Overlay Surplus \$1,000,000 and the phrase “Free Cash \$2,000,000” and insert the phrase “Free Cash \$3,000,000”.

## **FINANCE COMMITTEE PUBLIC HEARING AND DISCUSSION**

On October 1, 2020, the Finance Committee voted Favorable Action on Article 1 Motion B 13 – 0 – 0. On October 13, 2020 the Finance Committee re-affirmed its Favorable Action vote on Article 1 Motion B by a vote of 11 – 0 – 0.

October 1 Presenter: Mr. John Townsend, Deputy Town Administrator – Finance

Mr. Townsend said this is not a request for additional funding. This is re-designating certain funds under motion G. Motion G is where a lot of the revenues besides tax levy and free cash are used to pay for shared expenses. The Board of Assessors meets in January to review the overlay for the town and release any excess overlay. In January 2020, they released a million dollars in overlay for us to use that for a budget purposes. Unfortunately, as you also probably recall, we did not have town meeting until July, at which time \$1 million was appropriated as part of our budget. Unfortunately, DOR regulation says that any overlay surplus release must be appropriated within the fiscal year in which is released. Obviously, July is after June 30, the end of FY20. Therefore, DOR ruled that that was an inappropriate appropriation of Overlay and must fall to free cash. In order to be certain that our budget balances we do have to shift that \$1 million to free cash so that our budget will balance. This motion moves the \$1 million in the overlay surplus to free cash.

Members agreed that this transfer of \$1 million is required as a consequence of this DOR regulation to correct the balances.

**~~ END OF ARTICLE ~~**

**ARTICLE 2**  
**Town Meeting Funding**  
**Town Moderator & Town Clerk**

**ARTICLE LANGUAGE**

To see if the Town will vote to appropriate or otherwise provide a sum of money to be expended under the direction of the Town Clerk for the purpose of providing the use of third party software and related services, and help desk staff to accomplish necessary functions of a virtual or in-person town meeting venue during the 2020 Fall Annual Town Meeting, 2020 Special Town Meeting #1, 2021 Spring Annual Town Meeting and any other town meeting convened during Fiscal Year 2021, or otherwise act thereon.

**PURPOSE OF THE ARTICLE**

To fund the costs to accomplish necessary functions of a virtual or in-person town meeting venue during Fiscal Year 2021. Town Meeting sessions have been and will be conducted in a virtual venue for some time. FY21 sessions will likely all be virtual venues with costs for voting assistance, help desk staffing, meeting recording and minutes drafting.

**FINANCE COMMITTEE RECOMMENDATION**

The Finance Committee took the following action:	RECOMMENDATION:	<b>Favorable Action</b>
	QUANTUM OF VOTE:	<b>15-0-0</b>
	DATE VOTED:	<b>October 1, 2020</b>

**MOTION** (Requires a Majority Vote)

Move that the Town vote to appropriate Fifty Thousand Dollars (\$50,000) from State Aid to be expended under the direction of the Town Clerk for the purpose of providing the use of third party software and related services, and help desk staff to accomplish necessary functions of a virtual or in-person town meeting venue during the 2020 Fall Annual Town Meeting, 2020 Special Town Meeting #1, 2021 Spring Annual Town Meeting and any other town meeting convened during Fiscal Year 2021.

**FINANCE COMMITTEE PUBLIC HEARING AND DISCUSSION**

The Finance Committee met on October 1, 2020 to discuss Special Town Meeting Article 2 and voted 15-0- 0 to recommend Favorable Action.



Presenters:

Ms. Diane Packer, Town Clerk

Mr. Frank Foss, Town Moderator

Mr. Foss said Article 2 is a request for funding to address the requirements to hold Town Meeting virtually, anticipating that 2020 Fall Annual Town Meeting, 2020 Special Town Meeting #1, and 2021 Spring Annual Town Meeting will likely all be virtual venues. Each virtual venue costs the Town for voting assistance, help desk staffing, and meeting recording and minutes drafting. The Article requests that \$50,000 be appropriated from Free Cash and shall be expended under the direction of the Town Clerk.

Mr. Foss shared a table with the projected costs:

**2020 Fall Annual Town Meeting 2020 & 2020 Special Town Meeting #1**

FATM	Sessions	Cost/Session	Total
Option Tec.	8	\$ 1,500.00	\$ 12,000.00
Help Desk	8	\$ 900.00	\$ 7,200.00
Recording Steno	8	\$ 1,000.00	\$ 8,000.00
Assemble Minutes	8	\$ 500.00	\$ 4,000.00
			<u>\$ 31,200.00</u>

**2021 Spring Annual Town Meeting**

SATM	Sessions	Cost/Session	Total
Option Tec.	8	\$ 1,500.00	\$ 12,000.00
Help Desk	8	\$ 900.00	\$ 7,200.00
Recording Steno	0	\$ 1,000.00	\$ -
Assemble Minutes	0	\$ 500.00	\$ -
			<u>\$ 19,200.00</u>
Total estimated future costs for FY2021			<u>\$ 50,400.00</u>

9/26/20

Options Technology is the company we used for virtual 2020 Spring Annual Town Meeting and includes the software that enables Town Meeting to be recognized to speak and to vote on motions and

includes as the on-site support staff to facilitate the meeting. The Help Desk was vital in our previous virtual town meeting. Mr. Foss thanked Dr. Nolin, School Superintendent for assisting us in working with the School IT Staff. The town paid for these services from the line item in the Town Clerk's budget for the Town Meeting purposes. For Fall Town Meeting, we need to have recording stenographer to record the salient parts of town meeting and help assemble the minutes.

These numbers are based on research we've already done on the estimated cost per Town Meeting session. Fall Annual Town Meeting and Special Town Meeting #1 includes all four costs. 2021 Spring Annual Town Meeting includes the Option Technology and Help Desk pieces if we are continuing to have virtual Town Meeting in the spring. We estimated eight sessions each for 2020 Fall Annual Town Meeting and 2021 Spring Annual Town Meeting with an average time of 2.5 hours per session.

Ms. Packer noted that the reason we need to hire a stenographer and someone to write up the minutes is that early voting for the presidential election and the cleanup afterwards will be running concurrently to 2020 Fall Annual Town Meeting. It will not be possible for her to be at all Town Meeting sessions and ensure that the election happens smoothly. Due to the pandemic, this is an election like none we've ever seen before – the amount of mail-in ballots and early voting is unprecedented and the quantity of work to manage that process is much larger than in previous years.

Mr. Foss concluded that the cost estimate is \$50,400. Mr. Foss noted that he doesn't expect to spend this entire amount, but wanted to make certain that in the event that we went more than eight sessions or the equivalent, there would be sufficient funding to handle Town Meeting.

Some may ask what the effect would be if this funding was not provided, you would have to record all the votes by roll-call votes and with 130 or more members that would take forever. We received great feedback on the quality of the help desk support that we received which really helped a virtual town meeting runs smoothly. It's imperative that we have an accurate record of the Town Meeting proceedings that is clear, concise and can be replicated into the certifications that the Town Clerk has to send to not only the Department of Revenue, but where appropriate, to state agencies and/or the Attorney General's office. Mr. Foss said, without this funding we will not have a successful town meeting. Further, it is imperative that the Special Town meeting #1 be completed with vote certifications as quickly as possible to enable the town to set the tax rate. It is vitally important that we have accurate minutes and turn around the certifications quickly.

A member asked whether the cost is covered by the CARES Act. Ms. Malone said the Town of Natick received \$3.1 million, with the school department receiving approximately \$2.8 million of the total. Those funds are essentially spoken for, there's a small amount of money that remains and we are assessing the remaining needs of all of the departments. We have covered the Zoom subscriptions not only for this Committee, but other Committees as well as Town Departments. Unfortunately, the demand for the additional resources exceeds the \$3.1 million.

Mr. Townsend added that the town received updated guidance on the CARES Act yesterday, so it may be possible for us to use CARES Act funding, but we would need to weight that against all the other demands for this funding. Mr. Townsend requested that the sponsors consider using state aid as the funding source, rather than free cash. As you probably know, town did receive substantially more state aid than we originally estimated for FY 21. We usually receive our free cash number in early October,

but have not received it yet. Unfortunately, DOR is, to put it delicately, rather backed up at this particular point in time regarding a lot of different things, so I'm concerned about not having a free cash number by town meeting.

A member asked how we make a motion to access the state aid funds noting that he didn't remember ever seeing state aid as a direct source of funds at Town Meeting. Mr. Townsend said, generally speaking, we rely upon tax levy and free cash as our primary funding sources with regards to most of our articles, and other sources like state aid and other funding sources are lumped into, usually a lumped into a motion gap of Article One, which is these shared expenses, portion of our budget.

A member asked whether there is at least \$50,000 in free cash to cover this. Mr. Townsend said his concern is that there is a delay with DOR; we might not have that free cash number on the first day of Town Meeting. Mr. Foss noted that he had no objection to changing the funding source from free cash to state aid.

**~~ END OF ARTICLE ~~**

**ARTICLE 3**  
**AMEND TOWN BY-LAWS:**  
**Amendment to Town By-law – Article 41A – Revolving Funds**  
**(Town Administrator)**

**ARTICLE LANGUAGE**

To see if the Town will vote to amend the Town of Natick By-laws Article 41A regarding Revolving Funds by: Striking Section 3 and inserting the following new section 3:

“Section 3 Periodic Review of Activity

Every department, board or committee of the Town maintaining or using a revolving or special fund, including but not limited to those listed below in Sections 4 – 13, shall submit annual by December 1st a report of activity of each revolving or special fund to the Select Board of the Town and the Finance Committee. Included in each report shall be the name of the fund, all activities supported by the fund, statutory authorization of the fund and the balance of the fund as of December 1st. Said reports shall be included in the Town Administrator’s Budget message and the report submitted by the Finance Committee. The Finance Committee shall consider the balance in the revolving or special fund, as part of their recommendation to Town Meeting regarding any proposed appropriation for the department maintaining said revolving fund.”

Or otherwise act thereon.

**FINANCE COMMITTEE RECOMMENDATION**

The Finance Committee took the following action:	RECOMMENDATION:	<b>No Action</b>
	QUANTUM OF VOTE:	<b>11-0-0</b>
	DATE VOTED:	<b>September 1, 2020</b>

**MOTION** (Requires a Majority Vote)

Move No Action on the subject matter of Article 3

**FINANCE COMMITTEE PUBLIC HEARING AND DISCUSSION**

The Town Administrator requested No Action on Article 3.

**~~ END OF ARTICLE ~~**

**ARTICLE 4**  
**Stabilization Fund**  
**(Town Administrator)**

**ARTICLE LANGUAGE**

To see what sum of money the Town will vote to raise and appropriate, transfer from available funds or otherwise provide for the purpose of supplementing the Stabilization Fund established under Article 22 of the warrant for Annual Town Meeting of 1961, as authorized by Chapter 40, Section 5B of the General Laws, as amended; or otherwise act thereon.

**PURPOSE OF THE ARTICLE**

To transfer funds into the Stabilization Fund.

**FINANCE COMMITTEE RECOMMENDATION**

The Finance Committee took the following action:	RECOMMENDATION:	<b>No Action</b>
	QUANTUM OF VOTE:	<b>14-0-0</b>
	DATE VOTED:	<b>October 6, 2020</b>

**MOTION** (Requires a Majority Vote)

Move No Action on the subject matter of Article 4

**FINANCE COMMITTEE PUBLIC HEARING AND DISCUSSION**

The Town Administrator requested No Action on Article 4.

**~~ END OF ARTICLE ~~**

**ARTICLE 5**  
**Operational/Rainy Day Stabilization Fund**  
**(Town Administrator)**

**ARTICLE LANGUAGE**

To see what sum of money the Town will vote to raise and appropriate, transfer from available funds or otherwise provide for the purpose of supplementing the Operational Stabilization Fund established by vote of the 2011 Spring Annual Town Meeting under Article 4, as authorized by Chapter 40, Section 5B of the General Laws, as amended; or otherwise act thereon.

**PURPOSE OF THE ARTICLE**

To transfer funds into the Operational Stabilization Fund.

**FINANCE COMMITTEE RECOMMENDATION**

The Finance Committee took the following action:	RECOMMENDATION:	<b>No Action</b>
	QUANTUM OF VOTE:	<b>14-0-0</b>
	DATE VOTED:	<b>October 6, 2020</b>

**MOTION** (Requires a Majority Vote)

Move No Action on the subject matter of Article 5

**FINANCE COMMITTEE PUBLIC HEARING AND DISCUSSION**

The Town Administrator requested No Action on Article 5.

**~~ END OF ARTICLE ~~**

**ARTICLE 6**  
**Capital Stabilization Fund**  
**(Town Administrator)**

**ARTICLE LANGUAGE**

To see what sum of money the Town will vote to raise and appropriate, transfer from available funds or otherwise provide for the purpose of supplementing the Capital Stabilization Fund established under Article 2 of the warrant for Fall Annual Town Meeting of 2010, as authorized by Chapter 40, Section 5B of the General Laws, as amended; or otherwise act thereon.

**PURPOSE OF THE ARTICLE**

To transfer funds into the Capital Stabilization Fund.

**FINANCE COMMITTEE RECOMMENDATION**

The Finance Committee took the following action:	RECOMMENDATION:	<b>No Action</b>
	QUANTUM OF VOTE:	<b>13-0-0</b>
	DATE VOTED:	<b>October 6, 2020</b>

**MOTION** (Requires a Majority Vote)

Move No Action on the subject matter of Article 6

**FINANCE COMMITTEE PUBLIC HEARING AND DISCUSSION**

The Town Administrator requested No Action on Article 6.

**~~ END OF ARTICLE ~~**

**ARTICLE 7**  
**Other Post-Employment Benefits (OPEB) Appropriation or Transfer of Funds**  
**(Town Administrator)**

**ARTICLE LANGUAGE**

To see what sum of money the Town will vote to raise and appropriate, transfer from available funds or otherwise provide for, the Other Post-Employment Benefits Liability Trust Fund established pursuant to the provisions of Chapter 32B, Section 20 of the General Laws as amended by section 15 of Chapter 218 of the Acts of 2016; or otherwise act thereon.

**PURPOSE OF THE ARTICLE**

The OPEB Trust Fund pays benefits to retirees and was established in 2016. The purpose of this article is to appropriate additional funds to the Trust Fund.

**FINANCE COMMITTEE RECOMMENDATION**

The Finance Committee took the following action:	RECOMMENDATION:	<b>Favorable Action</b>
	QUANTUM OF VOTE:	<b>13-0-0</b>
	DATE VOTED:	<b>October 6, 2020</b>

**MOTION** (Requires a Majority Vote)

Move that the Town vote to appropriate \$250,000 from State Aid for the purpose of funding the Other Post-Employment Benefits Liability Trust Fund authorized by a vote of the 2017 Spring Annual Town Meeting under Article 15, as authorized by Chapter 32B, Section 20 of the General Laws as amended by Section 15 of Chapter 218 of the Acts 2016.

**FINANCE COMMITTEE PUBLIC HEARING AND DISCUSSION**

The Finance Committee met on October 6, 2020 to discuss Special Town Meeting Article 7 and voted 13 – 0 – 0 to recommend Favorable Action.

Presenter:

Mr. John Townsend, Deputy Town Administrator – Finance



Mr. Townsend said the town is recommending that we put \$250,000 from state aid into our Other Post – Employment Benefits (OPEB) liability trust. As you know, from several years of discussing this issue with this committee, the town does have a very large, outstanding OPEB obligation. This is definitely one of the areas that bond rating agencies look at very carefully to make sure that we're meeting our commitments, and making a good faith effort to increase this liability trust. As we move towards fully funding our pension fund by 2030, we will be able to redirect our resources from the pension fund liability to the OPEB liability trust.

A member asked if the \$250,000 is the “normal” annual appropriation. Mr. Townsend said they typically would want to allocate \$500,000 per year but cannot afford to do so this year.

A member asked if we had a certified free cash figure, could it come from there. Mr. Townsend said I would hope so but, at this time, we do not have a certified cash figure. However, we have sufficient funding in state aid to support this particular appropriation.

A member asked whether the town knows when the certified free cash figure will be available. Mr. Townsend said DOR is backlogged, but we do hope to have it before town meeting commences.

A member of the public asked if there was a final figure on the amount of state aid that was received by Natick. Mr. Townsend said state aid totaled \$2.9 million.

A member said this is definitely something that the rating agencies look at in municipal finance now. They are not simply looking at your debt-to-revenue ratios, but they're looking at what you're doing as far as addressing unfunded liabilities, and that includes, OPEB. And if you start not contributing to OPEB, that gets the attention of rating agencies. Given what the town is trying to do in terms of financing, we have the opportunity to take advantage of historically low interest rates to refinance things, there is very high value in funding \$250,000 into this the OPEB Liability Trust in doing so when it's painful to do it. This is invaluable to maintaining our strong credit rating.

**~~ END OF ARTICLE ~~**

**ARTICLE 8**  
**Collective Bargaining**  
**(Town Administrator)**

**ARTICLE LANGUAGE**

To see what sum of money the Town will vote to raise and appropriate, transfer from available funds, or otherwise provide, to implement any Collective Bargaining Agreements between the Town Natick and any recognized bargaining units of the Town; or otherwise act thereon.

**PURPOSE OF THE ARTICLE**

Under this Article, Town Meeting is asked to appropriate funds for the current fiscal year (and prior fiscal year, if applicable) for collective bargaining agreements (CBAs) that have been ratified by the respective union as well as management; such appropriation requirement applies only to General Government unions, of which there are ten.

**FINANCE COMMITTEE RECOMMENDATION**

The Finance Committee took the following action:	RECOMMENDATION:	<b>No Action</b>
	QUANTUM OF VOTE:	<b>10-0-0</b>
	DATE VOTED:	<b>September 24, 2020</b>

**MOTION** (Requires a Majority Vote)

Move No Action on the subject matter of Article 8

**FINANCE COMMITTEE PUBLIC HEARING AND DISCUSSION**

The Town Administrator requested No Action on Article 8.

**~~ END OF ARTICLE ~~**

**ARTICLE 9**  
**Personnel Board Classification and Pay Plan**  
**(Town Administrator)**

**ARTICLE LANGUAGE**

To see if the Town, pursuant to the authority contained in Section 108A of Chapter 41 of the General Laws, will vote to amend Article 24 of the Natick Town By-Laws, specifically the Classification and Pay Plan referenced in Section 3, paragraph 3.10 therein, by adding, deleting or amending position titles; re-classifying positions to a different Grade; and/or effecting changes in the salary ranges as presently established; or otherwise act thereon.

**PURPOSE OF THE ARTICLE**

To effect the changes to the Town's Personnel Classification and Pay Plan caused by accepting the Personnel Board's recommendation.

**FINANCE COMMITTEE RECOMMENDATION**

The Finance Committee took the following action:	RECOMMENDATION:	<b>No Action</b>
	QUANTUM OF VOTE:	<b>13-0-0</b>
	DATE VOTED:	<b>October 6, 2020</b>

**MOTION** (Requires a Majority Vote)

Move No Action on the subject matter of Article 9

**FINANCE COMMITTEE PUBLIC HEARING AND DISCUSSION**

On October 6, the Town Administrator requested No Action on Article 9. The administration is working with the Personnel Board and hopes to have modifications to Classification and Pay Plans available before Town Meeting.

**~~ END OF ARTICLE ~~**

**ARTICLE 10**  
**PEG Access and Cable Related Fund**  
**(Town Administrator)**

**ARTICLE LANGUAGE**

To see what sum of money the Town will vote to appropriate from the PEG Access and Cable Related Fund, established by vote of 2019 Special Town Meeting #1 under Article 1, as authorized by Chapter 44, Section 53F ¾ of the General Laws, as amended, to fund PEG access programming, as well as certain other municipal cable related expenses; or otherwise act thereon.

**PURPOSE OF THE ARTICLE**

To transfer PEG related funds current held in various Town of Natick general accounts into specific accounts dedicated to the PEG services provided to the Town and residents.

**FINANCE COMMITTEE RECOMMENDATION**

The Finance Committee took the following action:	RECOMMENDATION:	<b>Favorable Action</b>
	QUANTUM OF VOTE:	<b>11-0-0</b>
	DATE VOTED:	<b>September 29, 2020</b>

**MOTION** (Requires a Majority Vote)

**Move that the Town vote to appropriate from the PEG Access and Cable Related Fund, established by vote of 2019 Special Town Meeting #1 under Article 1, as authorized by Chapter 44, Section 53F3/4 of the General Laws, as amended, the sum of \$158,185.44 to fund PEG access programming and for other related purposes.**

**FINANCE COMMITTEE PUBLIC HEARING AND DISCUSSION**

The Finance Committee met on September 29, 2020 to discuss Article 10. The Committee voted 11-0-0 to recommend Favorable Action on the subject matter of Article 10. The Town Administrator explained that PEG Access and Cable Related Fund consists of the licensing and installation fees from cable providers that are collected from subscribers in order to support public access television, our colleagues at Natick Pegasus. About a year or two ago, the Department of Revenue decided to change the way towns handle these funds and required that a special fund be set up for this purpose and requires Town Meeting appropriation from that fund to get those monies over to Pegasus.

A Finance Committee member asked whether Natick Pegasus funding of our Zoom meetings comes out of this account. The Town Administrator confirmed that this account funds Pegasus local access television. The Zoom accounts and payments, including the school accounts are being paid from the CARES Act funding that funds virtual meetings, so this meeting is live streaming on Zoom and is also being broadcast on cable access via Pegasus.

**~~ END OF ARTICLE ~~**

**ARTICLE 11**  
**Rescind Authorized, Unissued Debt**  
**(Town Administrator)**

**ARTICLE LANGUAGE**

To see if the Town will vote to rescind the authorization for unissued debt that has been determined is no longer needed for the completion of various projects; or otherwise act thereon.

**PURPOSE OF THE ARTICLE**

To rescind authorized but unissued debt of the Town from one or more borrowing appropriations voted by Town Meeting.

**FINANCE COMMITTEE RECOMMENDATION**

The Finance Committee took the following action:	RECOMMENDATION:	<b>No Action</b>
	QUANTUM OF VOTE:	<b>11-0-0</b>
	DATE VOTED:	<b>September 29, 2020</b>

**MOTION** (Requires a Majority Vote)

Move No Action on the subject matter of Article 11

**FINANCE COMMITTEE PUBLIC HEARING AND DISCUSSION**

The Town Administrator requested No Action on Article 11.

**~~ END OF ARTICLE ~~**

**ARTICLE 12**  
**Unpaid Bills**  
**(Town Administrator)**

**ARTICLE LANGUAGE**

To see what sum of money the Town will vote to raise and appropriate, transfer from available funds, or otherwise provide for the payment of unpaid bills of previous years, incurred by the departments, boards and officers of the Town of Natick; or otherwise act thereon.

**PURPOSE OF THE ARTICLE**

To appropriate funds to pay unpaid bills from the prior fiscal year (FY 20)

**FINANCE COMMITTEE RECOMMENDATION**

The Finance Committee took the following action:	RECOMMENDATION:	<b>No Action</b>
	QUANTUM OF VOTE:	<b>13-0-0</b>
	DATE VOTED:	<b>October 6, 2020</b>

**MOTION** (Requires a Majority Vote)

Move No Action on the subject matter of Article 12

**FINANCE COMMITTEE PUBLIC HEARING AND DISCUSSION**

The Town Administrator requested No Action on Article 12.

**~~ END OF ARTICLE ~~**

**ARTICLE 13**  
**Capital Equipment**  
**(Town Administrator)**

**ARTICLE LANGUAGE**

To see what sum of money the Town will vote to raise and appropriate, borrow, transfer from available funds or otherwise provide as may be required for capital equipment for the various departments of the Town of Natick; to determine whether this appropriation shall be raised by borrowing or otherwise; or otherwise act thereon.

**PURPOSE OF THE ARTICLE**

To fund the Town's capital equipment needs for specific needs and purposes.

**BACKGROUND – CAPITAL EQUIPMENT (Art. 13) & CAPITAL IMPROVEMENT (Art. 14)**

Presenters:

Ms. Melissa Malone, Town Administrator

Mr. Jamie Errickson, Deputy Town Administrator – Operations

Ms. Malone noted that this year has been quite challenging as compared to previous years. Previously, the town was able to rely on its capital stabilization funds and local receipts to help fund capital equipment and improvements - a steady stream of income that was over \$1,000,000. As you know, our local receipts have decreased dramatically this year. As a result, we will need to adjust how we fund this by borrowing. This means that we would preserve our capital stabilization fund balance where it is today.

Given the attractiveness of low short-term rates and the need to preserve capital, this is the most prudent course of action. Right now, we are at approximately 12% debt-to-revenue ratio, a little bit higher than I would prefer to be, but with interest rates as low as .05 % interest, this is the best move for the town.

The projects that we are undertaking are vital projects that are critical to be completed this year. We've been working very closely with our financial advisors, along with bond counsel to validate this course of action. We are planning to do this borrowing in November so it relies on Special Town Meeting concluding in two or three sessions, at most so that we can get the vote certified and get all the information out for a competitive bid in November.

**Questions from the Committee**



A member asked, given the potential volatility of the financial markets, is there an interest rate above which town administration would not go ahead with these plan borrowings and would seek another method of financing for capital needs. Ms. Malone said that the town is looking at a balance year of \$4,000,000, where thinking that the higher amount that we would get in the market if we were in it right now, is about 0.05% – some of the other bond transactions that have been going through are at 0.26% and 0.27%, so we don't really have a ceiling. However, we're not seeing any short-term interest rates that are over 1%. In the last few years, we have been quite creative in how we have obtained financing and have brought back approximately \$15,000,000 to this community, between premiums and investment income.

A member asked whether town administration envisions having to go to a higher 12% debt-to-revenue ratio. Ms. Malone said the \$4,000,000 is this fiscal year and the next opportunity would be next November (November 2021) to "roll it", meaning that we can pay part of it down or pay a "balloon payment of sorts" will begin go out for a permanent bond. However, it will be very important to me permanently bond this \$4,000,000 that we maintain our AAA bond rating. This gives us the opportunity to preserve about \$5,000,000 in cash; given the fact that I don't see local receipts bouncing back quickly, I would like to preserve the cash for the town. With respect to the debt to revenue ratio, the answer depends on what state aid local receipts look like in FY 22. As a general rule, DOR becomes concerned as you start inching up towards 15% and that sets off a lot of warning bells. However, if rates remain as low as predicted (two years), with an AAA rating, we should be in good shape. This particular bond transaction will be unlikely to raise a bond rating agency call.

A member asked, if the financial picture improved, is there any penalty to prepaying these bonds. Ms. Malone said the way this short-term borrowing works is there is no penalty; we could pay this off in November 2021 if we wanted to do so, but the reason we're doing this method as opposed to a full borrowing, is to give us more flexibility so that if the rates low again next November, it's essentially "free money" and it would make sense to roll it.

A member noted that the Federal Reserve has talked about rates being low through 2023 or 2024 and asked whether it made sense to have a three or four year bond and how you see the difference in interest rates between the short-term and the longer-term bonds. Ms. Malone said the town doesn't have the option to name the term in that manner; we only have the ability to do a short-term borrowing for one year. At that time, we could pay a portion of the premium off or just pay the interest, and then we are allowed one more year of that borrowing. However, we could do this borrowing, and then plan to do a permanent borrowing that would be a little higher rate. As we go through planning for our needs in the coming years we can evaluate whether to do a permanent borrowing and that would be more likely a 20 to 25 year term and would coordinate with any debt falling off the debt schedule during that period.

A member noted that Moody's put a negative outlook on the entire Massachusetts municipal sector; Standard & Poor's has identified massive shortfalls across the entire sector for FY 21 and FY 22. He asked whether the potential is high for the town to be downgraded by the bond rating agencies. Ms. Malone stated she believes that if we are prudent we can maintain our AAA bond rating with both rating

agencies. On the other hand, if we quickly spend down stabilization and don't show an effort to address long-term liabilities such as OPEB, the rating agencies will not hesitate to downgrade. And it is imperative that we proactively employ a multiyear budgeting to ensure our creditworthiness. Nonetheless, it will take a concerted effort to demonstrate to the rating agencies that we have enough in our stabilization accounts to weather three to five years, and that is what I believe the rating agencies will be looking for from Natick. This will require a lot of tough analysis and difficult decisions.

A member noted that the town has both excluded debt and other debt and ask how much leeway the town has in terms of its capacity to borrow. Ms. Malone noted that DOR raises red flags at about 15% and we're below 12% right now and we have to closely monitor our activities in the next 5 – 7 years. Ms. Malone noted that she is comfortable with going a little higher because the interest rates are so low right now, but given the uncertainty about the level of local receipts, we need to have a robust discussion about what our tolerance level is going to be as we go through the next 3 to 5 years.

Dr. Gray, NPS, asked if analysis had been done on the effect of a downgrade from AAA to AA rating on interest rates. Ms. Malone said she hasn't asked with respect to the short-term rates because they are at historic lows. On the most recent refunding that the town did in June 2021, we were able to get a .76% rate for a 20 year bond and our financial advisor told us explicitly that we would not have been able to attract institutional investors had we not had an AAA rating.

Mr. Errickson noted that he worked with Departments to identify and focus on emergent needs as well as items critical to the functioning of a particular Department. Originally, there was a capital budget of \$7.5 million and 44 items, split between capital stabilization and tax levy. Spring Annual Town Meeting approved 12 projects worth \$1.2 million in town meeting voted to spend \$388,500 from capital stabilization and in the remainder from tax levy.

Mr. Errickson stated that there are ten new initiatives/projects – \$1.3+ million that were required as a response to COVID, emergent public safety needs, and necessary Departments/town functions/initiatives. There are twenty-nine projects for consideration at Special Town Meeting #1 that total \$5.3+ million total, with \$4.3+ million town funding and \$1+ million in grant/other funding.

As discussed, we're trying to limit the impact on the capital stabilization fund and keep our borrowing target at about \$4 million, to keep ourselves under the 12 % debt-to-revenue threshold. The proposal is for \$3.9 million in borrowing and I will get into the details on how these projects are funded.

## New Initiatives/Projects

DEPARTMENT	PROJECT TITLE	Amount	OTHER
Community & Economic Development	Cloud-based, online permitting system	\$ 300,000	
Facilities Management	Police Station - UPS Battery Replacement	\$ 10,000	
Facilities Management	Morse Library - Upgrade Chiller Controls	\$ 35,000	
Facilities Management	Wilson Middle School - Engineering for Roof Top Units Replacement	\$ 50,000	
Facilities Management	Fire Station # 1 - Replace Bay Roll Up Doors	\$ 240,000	
Facilities Management	Natick High School - Projector Replacement Project	\$ 330,000	
Information Technology	Munis Cloud Migration	\$ 150,000	
Public Works Engineering	Replacement "Grove Park" Retaining Wall -- design work	\$ 50,000	
Select Board/TA	Route 27 N. Main Street Project - Construction Oversight & Non Participating Items	\$ 110,000	
Town Administrator	Space & Building needs analysis - Cole, East, 5 Auburn	\$ 100,000	
TOTAL		\$ 1,375,000	\$ -

These items are intended to maintain or enhance the quality of services in key areas that are provided to the town.

- The Cloud-based online permitting system for the CED Department will be utilized by multiple Departments. At the present time, we have a paperless system but it's not cloud-based. We can have applicants apply online, but can't review them all online in the system, and cannot provide the actual permits and payments through an online system. This project will enable us to have a company come in and take our existing system and move it to a cloud-based system. An RFP has been drafted and initial cost estimates were in the \$250,000 range. The system would be used by not only the building Department, but by the Planning Board, Conservation Commission ZBA, Board of Health and DPW. It's worth noting that the building Department generates about \$1.5 million to \$2 million per year in revenue.
- Migration of MUNIS system to be cloud-based so that employees can remotely with the system. This was already planned but was accelerated because of the needs that arose from COVID and the Town Hall being closed to work with MUNIS remotely.

A number of the other projects and priorities are more focused on emergent needs of various buildings.

- Morse Institute Library: The chiller controls urgently need to be upgraded because the controls are not operating very well. Eventually, the entire system will need replacement, but that will cost several hundred thousand dollars, whereas we can we can replace the controls now and extend the life of that system.
- Similarly, the Wilson Middle School rooftop unit replacement item is the engineering component for the roof replacement in a future fiscal year. This work will estimate the cost and then come back with that data to inform that future capital request.
- Replacing the Fire Station 1 bay roll-up doors is critical because they've had ongoing issues getting these doors to open and the town had to do an emergency fix few months ago.
- The High School projector replacement project this is an initiative of the School Department these projectors, assuming we can get them delivered and ordered quickly will help with the

High School in their remote learning experience. These have risen to the top given our need for remote learning.

- Replace the Pine Grove Park retaining wall. This is a DPW initiative. Pine Grove Park is in the South Natick area around the falls. That retaining wall has recently started showing structural deficiencies and this was unforeseen at the time the FY 21 budget was created so this rose to the top is a public safety need. This is the design work prepare for the eventual replacement of that wall.
- The Route 27 North Main Street project has been in front of the Finance Committee a number of times through the years. You may recall through that Town Meeting has allocated approx. \$3 million dollars that's primarily gone towards design work and right-of-way acquisition. This is the North Main Street reconstruction from Natick Center to the Wayland town line, not including the Route 9 bridge. The construction work is being funded with federal and state dollars. We were successful at securing those dollars a number of years ago and it totals about \$14 million for the construction project.

The town is obligated to pay for certain items such as design, securing right-of-way, and in the case of this appropriation request, construction oversight where the town provides design consultants available to review shop drawings and any questions about details on plans, as well as what are called non-participating items (items that are excluded from funding).

Non-participating items include a number of initiatives, such as sidewalk replacement areas or stormwater replacement areas that we want to include in the project because of economies of scale, but are outside the scope of the project that's approved for federal and state funding. We also have a couple of abutting properties, that in order to assemble the right-of-way necessary for the corridor, we committed to working with them on some of their sites - rebuilding a retaining wall at one location and part of a parking area in another location.

In total, the request is \$110,000. This includes a portion of construction oversight funding, as well as all of the non-participating items. And there is still remaining funding of past appropriations. So in total, we need about \$250,000, but we already have a good chunk of money remaining from past appropriations to cover the bulk of that work. This is the final piece of town funding needed to support the project.

To update you on the project status, the notice to proceed has been issued to the contractor and you're going to see work starting near the Natick center area where some underground utility work is being done, but the bulk of the construction will begin in spring 2021.

- Space and Building Needs Analysis for the Cole Center, East School, and 5 Auburn St. These are three former schools, with Cole Center, the location of the Rec & Parks; East School is where the new Connor Heffler Park has been built; and 5 Auburn is the site of the Riverbend School

building in South Natick. The Riverbend School just recently vacated 5 Auburn Street, and NPS will use it to temporarily house their After School Assistance Program (ASAP) for remote learning for the kids, but that's not a permanent fix. This analysis is required because some of our buildings are getting overcrowded and we have space available but we need to understand what we need to do to these spaces and how to best utilize these spaces, both short-term and long-term. Ultimately, this project is going to include multiple phases, it includes existing conditions analysis, a review of existing space needs of various Departments, as well as School Department and Town Hall needs. It will then evaluate the existing buildings to help us understand what the order of magnitude is to upgrade those for short-term needs, but also limit long-term fixes. For example, the former Riverbend School is a historic building, but to use it permanently, it needs to be comprehensively upgraded to bring it up to with present-day standard building codes. This could prove costly so we want to understand the magnitude of that cost before putting money into that building.

## Projects Removed from FY21 CIP

Department	Project Title	Amount	FY22 CIP
Community Services - Recreation & Parks	Install Toddler Playground - Bennett Hemenway Elementary	\$ 75,000	X
Facilities Management	Bennett Hemenway Elementary - Expand Parking Lot and Resurface	\$ 150,000	
Facilities Management	Bennett Hemenway Elementary - Paint First Floor Classroom Walls	\$ 50,000	
Facilities Management	90 Oak Street - Replace Boiler	\$ 50,000	
Facilities Management	NHS Pre-School - Replace Office Area Carpet	\$ 40,000	
Facilities Management	DPU Admin Building - Replace 2 RTU's	\$ 30,000	
Facilities Management	Fire Station 1 - Replace Office Carpet	\$ 15,000	
Facilities Management	Facility Assessment	\$ 115,000	
Facilities Management	Morse Library - Replace 5 Handling Units	\$ 300,000	
Facilities Management	Brown Elementary - Replace Boilers	\$ 40,000	
Facilities Management	Lilja Elementary - Replace Boilers	\$ 40,000	
Facilities Management	REPLACE VEHICLE 104 (NFM-82) WORK VAN	\$ 50,000	X
Fire Department	Replace Ambulance	\$ 340,000	X
Fire Department	Nomex Non Particulate Hoods	\$ 8,500	X
Morse Institute Library	RFID Implementation	\$ 94,000	
Police Department	Replace Portable 2 Way Radios	\$ 170,685	X
Police Department	Replace Laptop Computers	\$ 6,200	X
Public Works Engineering	Street Acceptance Plan Prep	\$ 100,000	X
Public Works Engineering	North Ave Area Drainage Improvements	\$ 1,600,000	X
Public Works Highway	REPLACE VEHICLE 442 UTILITY BODY PICKUP	\$ 85,000	X
Public Works Highway	REPLACE VEHICLE 414 (H-49) DUMP TRUCK/SANDER	\$ 255,000	X
Public Works Highway	Replace Vehicle 504 Rear Load Trash Packer	\$ 325,000	X
Public Works Highway	Replace 421 (Street Sweeper)	\$ 280,000	X
Public Works Lnd Fac/Nat Res	COMPACT UTILITY TRACTOR	\$ 58,000	X
Public Works Lnd Fac/Nat Res	REPLACE SYNTHETIC TURF MEMORIAL FIELD	\$ 600,000	X
Town Administrator	Hunnewell Field Upgrade Design	\$ 50,000	
Town Clerk	Preservation of Historical Records	\$ 100,000	X
Total:		\$ 5,052,385	

NOTE: Projects not moved to FY22 CIP were either funded elsewhere or are no longer needed

Mr. Errickson said 15 projects were moved to the FY 22 CIP (total of \$4,053,385) and 13 projects there were no longer needed or funded elsewhere (totaling \$99,000). Some were removed because we no longer need them, could cover their cost through existing resources or grants, or could delay doing those projects, because they're going to be wrapped into a different project. Some projects are being pushed out to FY 22. Some of these are high cost items, for example, the North Ave. area drainage improvements, it's a \$1.6 million item, and is not needed immediately, but we still need to do that in the near future.

Similarly, the replacement of the synthetic turf at Memorial Field can be delayed, but not too long because the field is heavily used – we can push that out one year and the field will still be playable. Also, there are a number of public safety, public works and other vehicles on this list, some of them very high ticket items, some of them requiring long lead times, which is why we're only moving them out one year; beyond that, vehicles become very costly to maintain.

- I want to highlight the roads and sidewalks. The original FY 21 plan was to be \$2.5 million in the goal was to improve the quality of our roads and networks in town, a roadway network in town. However, given the COVID crisis and the demands on all of our finances, we needed to reduce that to \$1.875 million. Coupled with the \$1,000,000 received from State chapter 90 money, this will keep the overall road quality across the entirety of the town at its current condition.

#### **FINANCE COMMITTEE RECOMMENDATION – MOTION A**

The Finance Committee took the following action:	RECOMMENDATION:	<b>Favorable Action</b>
	QUANTUM OF VOTE:	<b>11-0-0</b>
	DATE VOTED:	<b>September 29, 2020</b>

#### **MOTION A (Requires a 2/3 Vote)**

Move that the Town vote to appropriate the sum of \$1,284,627 to be expended as follows:

- Under the direction of the Community & Economic Development Department for the purpose of purchasing a Cloud Based Permitting System;
- Under the direction of the Facilities Management Department for the purpose of:
  - UPS Battery Replacement at the Police Station,
  - Upgrade HVAC Controls Systems at the Senior Center,
  - Upgrade Chiller Controls at the Morse Institute Library,
  - Engineering for HVAC Controls Upgrade at the Police and Fire Stations,
  - Engineering for Roof Top Units Replacement at Wilson Middle School, and
  - Purchase of Projector Replacements at Natick High School;
- Under the direction of the Fire Department for the purpose of:

- Purchasing of Defibrillator, and
- Purchasing of Turnout Gear;
- Under the direction of the Police Department for the purpose of:
  - Purchasing of Level Meter for Service of Radio System;
  - Purchasing of cruiser replacement vehicles; and
- Under the direction of the Department of Public Works for the purpose of purchasing replacement dumpsters;

all individually shown as items 1 through 12 in Table A below, and that to meet this appropriation the Treasurer with the approval of the Select Board is authorized to borrow \$1,284,627 under Massachusetts General Laws Chapter 44, Section 7, as amended, or any other enabling authority and to issue bonds or notes of the Town therefore aggregating not more than \$1,284,627 in principal amount and that the Town Administrator with the approval of the Select Board is authorized to take any action necessary to carry out this program, and further, that any premium received by the Town upon the sale of any bonds or notes approved by this vote, less any such premium applied to the payment of the costs of issuance of such bonds or notes, may be applied to the payment of costs approved by this vote in accordance with Chapter 44, Section 20 of the General Laws, thereby reducing the amount authorized to be borrowed to pay such costs by a like amount.

## Article 13

### TABLE A- Motion A - Capital Equipment – 2020 Special Town Meeting #1

Item #	DEPARTMENT	PROJECT TITLE	Funding Source	Amount
1	Community & Economic Development	Cloud-based, online permitting system	Tax Levy Borrowing	\$ 300,000
2	Facilities Management	Police Station - UPS Battery Replacement	Tax Levy Borrowing	\$ 10,000
3	Facilities Management	Senior Center - Upgrade HVAC Controls System	Tax Levy Borrowing	\$ 25,000
4	Facilities Management	Morse Library - Upgrade Chiller Controls	Tax Levy Borrowing	\$ 35,000
5	Facilities Management	Police/Fire Station - Engineering for HVAC Controls Upgrade	Tax Levy Borrowing	\$ 50,000
6	Facilities Management	Wilson Middle School - Engineering for Roof Top Units Replacement	Tax Levy Borrowing	\$ 50,000
7	Facilities Management	Natick High School - Projector Replacement Project	Tax Levy Borrowing	\$ 330,000
8	Fire Department	Defibrillator Purchase	Tax Levy Borrowing	\$ 90,000
9	Fire Department	Turnout Gear	Tax Levy Borrowing	\$ 240,000
10	Police Department	Cruiser Replacement (2 Vehicles)	Tax Levy Borrowing	\$ 130,000
11	Police Department	Level Meter for Service of Radio System	Tax Levy Borrowing	\$ 5,627
12	Public Works Highway/Sanitation	Replace Dumpsters	Tax Levy Borrowing	\$ 19,000
TOTAL				\$ 1,284,627

## FINANCE COMMITTEE PUBLIC HEARING AND DISCUSSION – MOTION A

A member asked how much of the town's MUNIS system is going to the cloud - all modules or some modules. Mr. Errickson said his understanding is that the entire MUNIS system and modules will be migrated to the cloud, which would allow more functionality by our staff and better remote access by our staff. It's been very challenging during this COVID crisis for certain Departments who use MUNIS

on a daily basis that have not had the flexibility to work remotely, as advised by the Board of Health. This also underscores the space needs study – we know that we have a few Departments where our staff is too closely spaced to be safe from potential infection. Having MUNIS in the cloud allows some staff to be in the building and other staff to be working remotely, working around this problem.

A member asked how much the licensing, support and if implementation services are included in this cloud migration. Mr. Errickson said there will be an initial increase in cost or migration but a fair amount of it is one-time cost to cover the migration of our data to the cloud and start up training. This amount covers the initial migration and services to go along with that as far as licensing and annual cost I will need to check that out with the IT Department.

A member noted that road maintenance aimed at maintaining the level of road quality at the level that exists today and would the town be falling behind on maintaining this level of quality with this budget. Mr. Errickson stated the \$1.75 million budget allocation, coupled with the \$1,000,000 and Chapter 90 money will enable the town to maintain the overall quality of our roads at present day standards. All the regular maintenance for a roadway system that you see going on today will continue in FY 21. Our hope is that, with the FY 22 plan that we can continue to improve the quality of our roadways.

A member asked whether the roadway condition would increase the maintenance cost of the town vehicles. Mr. Errickson said that the roadway condition would not prematurely reduce the lifespan of town vehicles. For example, police cruiser replacement is typically 4 to 5 cruisers per year, once they reach the 100,000 mile mark. This year due to budget restrictions, we funded one cruiser at Spring Annual Town Meeting and two other cruisers in this Special Town Meeting. Our hope is that in FY 22 and beyond, we can get back up to the program that we've been doing in years past. Other vehicles that were pushed out to a future fiscal year have high mileage and the town is monitoring those vehicles and determining those that need to be vehicles that need to be priorities for replacement in the FY 22 budget. In reality, it's going to put a little bit more stress on our maintenance Department. But I don't think the quality or level of service is going to go down because of what we're doing, at least not yet. Now, if we choose not to fund vehicles next year in the year after, then I might I do think we'll start to see some quality in our services depreciating.

A Member asked whether the Fire Department turnout gear was a multiyear project. Mr. Errickson said there was funding requested last year and then continues this year. The turnout gear is based on both new OSHA requirements as well the need for firefighters to have two sets of gear. This gear is tailored for each individual firefighter and our complement is approximately 83 firefighters. Mr. Errickson believed that this will complete the acquisition of the new turnout gear.

A member asked for details about the HVAC at the CSC. Mr. Errickson said the Facilities Maintenance Department requested this in my understanding is it's the maintenance item that allows for each HVAC system to function properly. The building is about 10 years old now, and is at a point where these types of systems upgrades are required. Facilities management (FM) and DPW are also making improvements to the generator that's down there as well. Concurrent with this, he's working with the CSC Director



(Ms. Ramsey) along with the FM Department to do a more comprehensive look at the building. One of the things that the FM Department and I have been working on overall is just looking at all of our town buildings to come up with a comprehensive program for long-term maintenance on all town buildings. HVAC control systems can get out of date fairly quickly. For example, the control systems in a lot of our buildings can be controlled remotely on a smartphone. We can also increase or decrease the temperature set points in a given building to provide fuel efficiency. This new system will allow us to upgrade to a more high quality and more efficient system so that we can run the run the existing HVAC system more efficiently.

A member asked whether the Sustainability Coordinator has been involved with any of these projects. Mr. Errickson said that he always tries to make sure that the Sustainability Coordinator is involved with all of what we do.

A member asked how many projectors were there in the High School projector replacement project. Mr. Errickson said he doesn't know the exact number, but it's all the projectors at the High School. These are "smart projectors" that facilitate the remote learning that we're migrating to more rapidly during COVID. Remote learning has been an ongoing initiative of the High School for a number of years as they have been offering more of the remote learning offerings. Dr. Peter Gray, Finance Director said these projectors were part of the original build of the Natick HS and they have far exceeded their estimate life cycle.

### **Public Comments**

Dr. Peter Gray, on behalf of the School Committee, asked why the building enhancements that were done to prepare the schools for students to return in the fall, couldn't be included as part of Motion A and free up about a half million dollars of parents' money to allow the schools to access that \$400,000 for other needs.

Ms. Malone said the town received \$3.1 million in CARES money. The School Department received approximately \$2.8 million of that \$3.1 million. The current balance is approximately \$200,000 and we plan to use that money to ensure that our Department of Public Health has sufficient resources along with other Departments. As discussed earlier, we want to keep our borrowing under \$4,000,000 in this fiscal year. Mr. Errickson added that Mr. Gadson had full control over what was being proposed in this capital equipment budget. Mr. Errickson said he worked with him on the list and he provided these items as his priority projects.

Dr. Gray noted that it was more of a financing approach question and not whether we were the beneficiary of the majority of the CARES money. But as finance committee will find out in further meetings that the school is still very short on their funding for COVID-related expenses and projections. Dr. Gray thought the School Committee wanted to check as to whether or not this might be a mechanism to free up some additional monies to meet some of the school's unmet needs that we currently have.

## FINANCE COMMITTEE RECOMMENDATION – MOTION B

The Finance Committee took the following action:	RECOMMENDATION:	<b>Favorable Action</b>
	QUANTUM OF VOTE:	<b>15-0-0</b>
	DATE VOTED:	<b>October 1, 2020</b>

### MOTION B (Requires a 2/3 Vote)

Move that the Town vote to appropriate the sum of \$200,000 to be expended under the direction of the Department of Public Works for the purpose of Replacing Vehicle 606 (W-17) F-450 w/Crane, individually shown as item 1 in the Table B below and that to meet this appropriation the Treasurer with the approval of the Select Board is authorized to borrow \$200,000 under Massachusetts General Laws Chapter 44, Section 7(1), as amended, or any other enabling authority and to issue bonds or notes of the Town therefore aggregating not more than \$200,000 in principal amount and that the Town Administrator with the approval of the Select Board is authorized to take any action necessary to carry out this program, and further, that any premium received by the Town upon the sale of any bonds or notes approved by this vote, less any such premium applied to the payment of the costs of issuance of such bonds or notes, may be applied to the payment of costs approved by this vote in accordance with Chapter 44, Section 20 of the General Laws, thereby reducing the amount authorized to be borrowed to pay such costs by a like amount.

**TABLE B- Motion B - Capital Equipment – 2020 Special Town Meeting #1**

Item	Department	Project Title	Source	Amount
1	Public Works Water/Sewer	Replacing Vehicle 606 (W-17) F-450 w/Crane	Water/Sewer Borrowing	\$ 200,000
			<b>Total</b>	<b>\$ 200,000</b>

## FINANCE COMMITTEE PUBLIC HEARING AND DISCUSSION – MOTION B

*On September 29, 2020*, Mr. Errickson said Motion B authorizes the town to borrow \$200,000 for the purchase of a replacement for vehicle 606 (W-17) a Ford F 450 with a crane \$200,000 from the Water & Sewer Enterprise Fund.

A member noted that the motion does not reference the Water & Sewer Enterprise Fund. Mr. Errickson said he knows it looks confusing, but this was reviewed by legal counsel and bond counsel and this was the wording they wanted. Mr. Errickson said he would be happy to clarify this with legal counsel, noting that he found it an oddity as well.

*The Finance Committee voted 11 – 0 – 0 to postpone Article 13 Motion B until October 1, 2020.*

On October 1, 2020, Mr. Errickson said he had spoken with Town Counsel and Bond Counsel about the issue of not referencing Water & Sewer in the motion, and the explanation he received from counsel was that borrowings that come from an enterprise fund keep the language of the motions as is, but provide the supplementary table to the item(s) reference in the motion, and that table will show the intent of what the borrowing authorization is (i.e., Water & Sewer enterprise fund). This is consistent with past practice and consistent with what bond counsel wants to see in the motion itself. The table has been added to the motion to provide greater clarity.

*The Finance Committee voted 15 – 0 – 0 to recommend Favorable Action on Article 13 Motion B.*

### **FINANCE COMMITTEE RECOMMENDATION – MOTION C**

The Finance Committee took the following action:	RECOMMENDATION:	<b>Favorable Action</b>
	QUANTUM OF VOTE:	<b>11-0-0</b>
	DATE VOTED:	<b>September 29, 2020</b>

### **MOTION C (Requires a Majority Vote)**

Move that the Town vote to appropriate the sum of \$240,000 to be expended under the direction of the Department of Public Works for the purpose of

- Replace Vehicle 609 (W-21) Call Truck, and
- VFD's (variable frequency drive) for Water Pumps,

individually shown as items 1 and 2 in the Table C below, and that to meet this appropriation the sum of \$240,000 be raised from Water/Sewer retained earnings.

## **Article 13**

### **TABLE C- Motion C - Capital Equipment – 2020 Special Town Meeting #1**

Item	Department	Project Title	Source	Amount
1	Public Works Water/Sewer	REPLACE VEHICLE 609 (W-21) CALL TRUCK	W/S Retained Earnings	\$ 90,000
2	Public Works Water/Sewer	VFD'S FOR WATER PUMPS	W/S Retained Earnings	\$ 150,000
<b>Total</b>				<b>\$ 240,000</b>

### **FINANCE COMMITTEE PUBLIC HEARING AND DISCUSSION – MOTION C**

A member commented that this vehicle is a heavily used truck in Water & Sewer Department that is employed in a number of different functions and operates 7 x 365. Further, for operational safety reasons these vehicles idle which puts great stress on the vehicles well beyond the mileage. The variable

frequency drives for the water pumps help with the efficiency of the pumping operation and the Town has been replacing those in installments over the past couple of years and this is the latest installment.

### FINANCE COMMITTEE RECOMMENDATION – MOTION D

The Finance Committee took the following action:	RECOMMENDATION:	<b>Favorable Action</b>
	QUANTUM OF VOTE:	<b>15-0-0</b>
	DATE VOTED:	<b>October 1, 2020</b>

### MOTION D (Requires a 2/3 Vote)

Move that the Town vote to appropriate the sum of \$80,000 to be expended under the direction of the Community Services - Recreation & Parks – Sassamon Trace Golf Course for the purpose of:

- Rough Mower, and
- HD (Heavy Duty) Utility Vehicle

individually shown as items 1 and 2, in Table D below, and that to meet this appropriation the Treasurer with the approval of the Select Board is authorized to borrow \$80,000 under Massachusetts General Laws Chapter 44, Section 7(1), as amended, or any other enabling authority and to issue bonds or notes of the Town therefore aggregating not more than \$80,000 in principal amount and that the Town Administrator with the approval of the Select Board is authorized to take any action necessary to carry out this program, and further, that any premium received by the Town upon the sale of any bonds or notes approved by this vote, less any such premium applied to the payment of the costs of issuance of such bonds or notes, may be applied to the payment of costs approved by this vote in accordance with Chapter 44, Section 20 of the General Laws, thereby reducing the amount authorized to be borrowed to pay such costs by a like amount.

## Article 13

### TABLE D- Motion D - Capital Equipment – 2020 Special Town Meeting #1

Department	Project Title	Source	Amount
Community Services - Recreation & Parks - Golf Course	Rough Mower	Golf Course Borrowing	\$ 50,000
Community Services - Recreation & Parks - Golf Course	HD Utility Vehicle	Golf Course Borrowing	\$ 30,000
	<b>Total:</b>		<b>\$ 80,000</b>

## **FINANCE COMMITTEE PUBLIC HEARING AND DISCUSSION – MOTION D**

*On October 1, 2020, Mr. Errickson noted that, as with Article 13 Motion B, town counsel and bond counsel advised him to keep the current language and provide a supplementary table to the item(s) reference in the motion, and that table will show the intent of what the borrowing authorization is (i.e., Sassamon Trace Golf Course Enterprise Fund).*

*On October 1, 2020, the Finance Committee voted 15 – 0 – 0 to recommend Favorable Action on Article 13 Motion D.*

**~~ END OF ARTICLE ~~**

**ARTICLE 14**  
**Capital Improvement**  
**(Town Administrator)**

**ARTICLE LANGUAGE**

To see what sum of money the Town will vote to raise and appropriate, borrow, transfer from available funds or otherwise provide to implement a Capital Improvement Program, to protect the physical infrastructure of the Town of Natick, to add new physical infrastructure, or to improve community assets; and, further, to determine whether this appropriation shall be raised by borrowing or otherwise; or to otherwise act thereon.

**PURPOSE OF THE ARTICLE**

The purpose of this Article is to fund the Town's capital improvement needs for specific needs and purposes.

**FINANCE COMMITTEE RECOMMENDATION – MOTION A**

The Finance Committee took the following action:	RECOMMENDATION:	<b>Favorable Action</b>
	QUANTUM OF VOTE:	<b>11-0-0</b>
	DATE VOTED:	<b>September 29, 2020</b>

**MOTION A** (Requires a 2/3 Vote)

Move that the Town vote to appropriate the sum of \$954,500 to be expended as follows:

- Under the direction of Community Services - Recreation & Parks for the purposes of:
  - Historical Monument Restoration, and
  - Cole Center Playground Enhancements;
- Under the direction of Facilities Management for the purposes of Fire Station #1 Replace Bay Roll Up Doors;
- Under the direction of Information Technology for the purposes of Munis Cloud Migration;
- Under the direction of Department of Public Works for the purposes of:
  - Complete Streets Priority Plan Update,
  - Replacement "Pine Grove Park" retaining Wall – design work,
  - Guardrails,
  - Tree inventory,
  - Tree Replacement, and
  - Park and Field Renovations;

- Under the direction of the Select Board/Town Administrator for the purposes of Route 27 North Main Street Project – Construction Oversight and Non-Participating Items, and
- Under the direction of the Town Administrator for the purposes of completing a space and building needs analysis – Cole, East, 5 Auburn;

all individually shown as items 1 through 12 in Table A below, and that to meet this appropriation the Treasurer with the approval of the Select Board is authorized to borrow \$954,500 under Massachusetts General Laws Chapter 44, Section 7, as amended, or any other enabling authority and to issue bonds or notes of the Town therefore aggregating not more than \$954,500 in principal amount and that the Town Administrator with the approval of the Select Board is authorized to take any action necessary to carry out this program, and further, that any premium received by the Town upon the sale of any bonds or notes approved by this vote, less any such premium applied to the payment of the costs of issuance of such bonds or notes, may be applied to the payment of costs approved by this vote in accordance with Chapter 44, Section 20 of the General Laws, thereby reducing the amount authorized to be borrowed to pay such costs by a like amount.

## Article 14

**TABLE A- Motion A - Capital Improvement – 2020 Special Town Meeting #1**

Item #	DEPARTMENT	PROJECT TITLE	Funding Source	Amount
1	Community Services - Recreation & Parks	Historical Monument Restoration	Tax Levy Borrowing	\$ 10,000
2	Community Services - Recreation & Parks	Cole Center Playground Enhancements	Tax Levy Borrowing	\$ 30,000
3	Facilities Management	Fire Station # 1 - Replace Bay Roll Up Doors	Tax Levy Borrowing	\$ 240,000
4	Information Technology	Munis Cloud Migration	Tax Levy Borrowing	\$ 150,000
5	Public Works Engineering	Complete Streets Priority Plan Update	Tax Levy Borrowing	\$ 35,500
6	Public Works Engineering	Replacement "Grove Park" Retaining Wall -- design work	Tax Levy Borrowing	\$ 50,000
7	Public Works Highway	Guardrails (Various Locations)	Tax Levy Borrowing	\$ 14,000
8	Public Works Lnd Fac/Nat Res	Tree Inventory	Tax Levy Borrowing	\$ 10,000
9	Public Works Lnd Fac/Nat Res	Tree Replacement	Tax Levy Borrowing	\$ 30,000
10	Public Works Lnd Fac/Nat Res	Park and Field Renovations	Tax Levy Borrowing	\$ 175,000
11	Select Board/TA	Route 27 N. Main Street Project - Construction Oversight & Non Participating Items	Tax Levy Borrowing	\$ 110,000
12	Town Administrator	Space & Building needs analysis - Cole, East, 5 Auburn	Capital Stabilization	\$ 100,000
<b>TOTAL</b>				<b>\$ 954,500</b>

## FINANCE COMMITTEE PUBLIC HEARING AND DISCUSSION – MOTION A

Mr. Errickson noted that these are the maintenance projects that we talked about in the overview presentation (*see Article 13*) and the total is \$954,500. Many of these are annual items, such as historical monument restoration, guardrails, tree inventory, tree replacement, and park and field renovations. Mr. Errickson said we've already talked about MUNIS cloud migration, the replacement of the rollup doors at Fire Station 1. The Pine Grove Park retaining wall moved to the FY 21 capital improvements list because it is structurally deficient. The other significant projects are they Route 27 N. Main St. project construction oversight in the Space and Building Needs Analysis.

A member asked whether the \$110,000 appropriation will be the last addition to the Route 27 North Main Street project. Mr. Errickson said, through the years, the town has appropriated approximately \$2.5 million to \$3 million in support of this project. We anticipate this being the last ask of the town to cover supporting costs related to the North Main Street project, with the exception of long-term maintenance.

A member said he participated in the study committee for the building at 5 Auburn St. years ago when it was a Montessori school and the study committee recommended several improvements there, including the gym, windows, and other items. Mr. Errickson said they would look at the recommendations of that study committee so that they don't duplicate efforts.

However, this is beyond the building needs of 5 Auburn Street – we're trying to look at the space needs of the town across our existing buildings. For example, we've invested quite a bit of money over the years in the Cole Center, but it still is not fully meeting the needs of the Recreation and Parks and still has some significant pending capital upgrades. We want to make sure before we continue to invest in the Cole Center or the school at 5 Auburn, we're mindful of all the space needs across the town.

Further, there are some space needs at the high school that might can, potentially, be moved out of the high school, as well as the facilities Department and some of the some of the use of some of the building space at DPW and even at Town Hall. One of the reasons the study is a high priority is that we're already using some of these buildings right now. For example, the 5 Auburn Street School will be used by Natick Public Schools' ASAP program during this COVID crisis. We're also exploring the third floor for maybe some overflow office use if we need to move people from Town Hall and other buildings during COVID.

A member noted that the MUNIS cloud migration is consistent with the IT strategy of moving whatever applications and data they can securely move to the cloud and continued to meet their operational needs.

A member asked on the space and building needs analysis that some consideration be given to what makes sense for these buildings in the future. For example, does it make sense to keep pouring money into Cole or do we need a new building? And for 5 Auburn, the same question would apply, does it make sense to even potentially dispose of the property so I'm hoping that if it's not added as part of the building study that after the study is done that those ideas are considered.



## FINANCE COMMITTEE RECOMMENDATION – MOTION B

The Finance Committee took the following action:	RECOMMENDATION:	<b>Favorable Action</b>
	QUANTUM OF VOTE:	<b>15-0-0</b>
	DATE VOTED:	<b>October 1, 2020</b>

### MOTION B (Requires a 2/3 Vote)

Move that the Town vote to appropriate the sum of \$3,930,000 to be expended under the direction of the Department of Public Works for the purpose of:

- Replacement of Springvale Water Air Stripper Media,
- High Lift, H&T Building Modifications Springvale,
- Replacement of Ground Water Wells, and
- Water Main Relining/Replacement

individually shown as items 1 thru 4, in Table B below, and that to meet this appropriation the Treasurer with the approval of the Select Board is authorized to borrow \$3,930,000 under Massachusetts General Laws Chapter 44, Sections 7 & 8, as amended, or any other enabling authority and to issue bonds or notes of the Town therefore aggregating not more than \$3,930,000 in principal amount and that the Town Administrator with the approval of the Select Board is authorized to take any action necessary to carry out this program, and further, that any premium received by the Town upon the sale of any bonds or notes approved by this vote, less any such premium applied to the payment of the costs of issuance of such bonds or notes, may be applied to the payment of costs approved by this vote in accordance with Chapter 44, Section 20 of the General Laws, thereby reducing the amount authorized to be borrowed to pay such costs by a like amount.

## Article 14

### TABLE B- Motion B - Capital Improvement – 2020 Special Town Meeting #1

Item	Department	Project Title	Source	Amount
1	Public Works Water/Sewer	SPRINGVALE WTR AIR STRIPPER MEDIA REPLACEMENT	Water/Sewer Borrowing	\$ 380,000
2	Public Works Water/Sewer	HIGH LIFT, H&T BUILDING MODIFICATIONS SPRINGVALE	Water/Sewer Borrowing	\$ 450,000
3	Public Works Water/Sewer	REPLACE GROUND WATER WELLS	Water/Sewer Borrowing	\$ 500,000
4	Public Works Water/Sewer	WATER MAIN RELINING / REPLACEMENT	Water/Sewer Borrowing	\$ 2,600,000
			<b>Total:</b>	<b>\$ 3,930,000</b>

## **FINANCE COMMITTEE PUBLIC HEARING AND DISCUSSION – MOTION B**

The Finance Committee voted to postpone consideration of article 14 motion B until October 1, 2020. The finance committee met on October 1, 2020 and voted 15-0-0 to recommend favorable action on article 14 motion B.

A member asked what a “High Lift” means. Mr. Marsette said the High Lift is a building just like the H & T Building is – they’re both buildings at the Springvale water treatment facility. The “High Lift” refers to four pumps drive water through the water treatment facility and is essential to push the water through the treatment facility. These four pumps will also receive variable frequency drives .

A member asked what the function of “water air stripper” is. Mr. Marsette said the water goes through these tall, silver-colored towers that you can see from Route 9. Inside these chambers water trickles through and these remove any volatile organic compounds (VOCs) that may be present in the groundwater. They were actually funded by the US military (Natick Soldier Systems Center) and there are currently no VOCs in our groundwater. However, we operate them as a belt-and-suspenders precaution and it also provides the benefit of a low cost and chemical-free method to help increase the alkalinity of the water and reduce the acidity of our water by using air. This reduces the potential for our water to leach lead and copper from our pipes into our water. These need to be periodically replaced.

## **FINANCE COMMITTEE RECOMMENDATION – MOTION C**

The Finance Committee took the following action:	RECOMMENDATION:	<b>Favorable Action</b>
	QUANTUM OF VOTE:	<b>11-0-0</b>
	DATE VOTED:	<b>September 29, 2020</b>

### **MOTION C (Requires a Majority Vote)**

Move that the Town vote to appropriate the sum of \$150,000 to be expended under the direction of the Department of Public Works for the purpose of Water Distribution Systems Enhancements, and that to meet this appropriation the sum of \$150,000 be raised from Water/Sewer retained earnings.

## **FINANCE COMMITTEE PUBLIC HEARING AND DISCUSSION – MOTION C**

A member gave kudos to the Water & Sewer Department for ensuring that we have quality water and reliable supply of water and thank the Water & Sewer Department for all the hard work behind the scenes that keeps that coming to us.

### **FINANCE COMMITTEE RECOMMENDATION – MOTION D**

The Finance Committee took the following action:	RECOMMENDATION:	<b>Favorable Action</b>
	QUANTUM OF VOTE:	<b>11-0-0</b>
	DATE VOTED:	<b>September 29, 2020</b>

#### **MOTION D (Requires a Majority Vote)**

Move that the Town vote to appropriate the sum of \$24,984.90 to be expended under the direction of the Department of Public Works for the purpose of supplementing roadway and sidewalk improvements, and that to meet this appropriation the sum of \$24,984.90 be raised from Transportation Network Funds in accordance with Chapter 187 of the Acts of 2016.

### **FINANCE COMMITTEE PUBLIC HEARING AND DISCUSSION – MOTION D**

Mr. Errickson said these are some transportation network funds, a state program that collects funds from companies such as Uber and Lyft who utilize the state transportation network and the money goes into an account for individual municipalities to use, in this case for roadway and sidewalk improvements. There's currently just shy of \$25,000 in the account and we'd just like to appropriate those funds to use for roadway and sidewalk improvements.

A member asked whether this was a one-year balance. Mr. Marsette said this funding needs to be appropriated annually. This is the amount that Natick received in its distribution for the 2019 calendar year. The Department of Public Utilities requires it to be appropriated for use each year. It's a per-ride assessment for companies like Uber and Lyft who are charged 20 cents per ride that's originated in Natick and it comes as revenue to the town.

## **FINANCE COMMITTEE RECOMMENDATION – MOTION E**

The Finance Committee took the following action:	RECOMMENDATION:	<b>Favorable Action</b>
	QUANTUM OF VOTE:	<b>11-0-0</b>
	DATE VOTED:	<b>September 29, 2020</b>

### **MOTION E (Requires a 2/3 Vote)**

Move that the Town vote to appropriate the sum of \$2,500,000 to be expended under the direction of the Department of Public Works for the purpose of completing sewer main rehabilitation, and that to meet this appropriation the Treasurer with the approval of the Select Board is authorized to borrow \$2,500,000 under Massachusetts General Laws Chapter 44, Section 8, as amended, or any other enabling authority and to issue bonds or notes of the Town therefore aggregating not more than \$2,500,000 in principal amount and that the Town Administrator with approval of the Select Board is authorized to take any action necessary to carry out this program, and further, that any premium received by the Town upon the sale of any bonds or notes approved by this vote, less any such premium applied to the payment of the costs of issuance of such bonds or notes, may be applied to the payment of costs approved by this vote in accordance with Chapter 44, Section 20 of the General Laws, thereby reducing the amount authorized to be borrowed to pay such costs by a like amount, and that the Select Board is authorized to accept one or more grants or gifts from the Massachusetts Water Resource Authority or any other public or private funding source for the purposes of this article.

## **FINANCE COMMITTEE PUBLIC HEARING AND DISCUSSION – MOTION E**

Mr. Errickson said this Article authorizes the town to borrow \$2.5 million for sewer main rehabilitation. It is funded, in phases, from the Massachusetts Water Resources Authority (MWRA). This aggregates two of the phases each equal to \$1.25 million. It allows the town to utilize this zero interest funding from the MWRA to complete sewer main rehabilitation work.

Mr. Marsette confirmed that this is for phases 11 and 12 of the MWRA's, inflow and infiltration local financial assistance program. The town has successfully completed the ten prior phases, removing well over 1.5 million gallons of infiltration and inflow. That's water that we've removed that is not metered by MWRA and included in our annual sewer assessment paid to the MWRA. Mr. Marsette said they are able to and rehabilitate our sewer system, keep our pipes in good repair, and reduce the fees that we pay to the MWRA. Phases 11 and 12 come in the form of 75% as a grant and 25% as a zero interest loan, with the loan paid back to the MWRA and over the course of 10 years.

A member asked whether the reimbursement is immediately available or is there lag time involved. Mr. Marsette said that a trust account is established by the MWRA and funds are immediately disbursed after we apply to the MWRA. Once this appropriation is approved by town meeting, we can apply immediately for reimbursement.

A member noted that as these are installments 11 and 12 and asked whether there is an end in sight for this funding or is it a year by year kind of thing. Mr. Marsette said these phases are not tied to years per se – all the communities that are part of the MWRA are eligible to receive these funds, drawing down the fund balance. As the overall program funding is depleted, the Board of Directors of the MWRA may add a phase. So there are currently 13 phases. The MWRA has appropriated \$100 million for phase 13. After this appropriation, there'll be one more under the current program for the town to utilize.

#### **FINANCE COMMITTEE RECOMMENDATION – MOTION F**

The Finance Committee took the following action:	RECOMMENDATION:	<b>Favorable Action</b>
	QUANTUM OF VOTE:	<b>11-0-0</b>
	DATE VOTED:	<b>September 29, 2020</b>

#### **MOTION F (Requires a 2/3 Vote)**

Move that the Town vote to appropriate the sum of \$700,000 to be expended under the direction of the Department of Public Works for the purpose of sewer collection system repairs and maintenance, and that to meet this appropriation the sum of \$700,000 be raised from the I & I Stabilization Fund.

#### **FINANCE COMMITTEE PUBLIC HEARING AND DISCUSSION – MOTION F**

A member said this is a tremendous ongoing program that literally saves ratepayers a lot of money that we don't have to pay the MWRA for sewer services

## **FINANCE COMMITTEE RECOMMENDATION – MOTION G**

The Finance Committee took the following action:	RECOMMENDATION:	<b>Favorable Action</b>
	QUANTUM OF VOTE:	<b>10-1-0</b>
	DATE VOTED:	<b>September 29, 2020</b>

### **MOTION G (Requires a 2/3 Vote)**

Move that the Town vote to transfer the sum of \$450,000 to be expended under the direction of the Town Administrator for the purpose of 90 Oak Street Contamination Clean-up & Park Amenities (the former East School Park), originally appropriated pursuant to Article 13, Motion B of the 2017 Spring Annual Town Meeting to pay costs of the Cole Center Roof Replacement, which amount is no longer needed to complete the project for which it was originally borrowed.

## **FINANCE COMMITTEE PUBLIC HEARING AND DISCUSSION – MOTION G**

Mr. Errickson noted the town is seeking to transfer \$450,000 under the direction of the Town Administrator for the 90 Oak Street contamination, cleanup and park amenities (aka, the former East School) originally appropriated as article 16 at 2020 Spring Annual Town Meeting. The funding will come from eliminating the cost of Cole Center roof replacement, a project that was authorized a number of years ago by Town Meeting that has not gone forward. The \$450,000 has already been borrowed and would be better utilized on this Oak Street contamination cleanup at the East Park. You may recall that during the construction of the East Park, PCB contamination was found in some of the soil samples and we are required to do remedial cleanup of this site. Fortunately, our licensed site professional (LSP) learned that the contaminated soils are not migrating but we are obligated to remediate the soil. The remediation cost is estimated to be in the \$450,000 range. To keep our borrowing at a manageable level, we're seeking to re-appropriate these funds, which can be utilized for this purpose because the longevity of the item (East Park) has a similar life span to that of the Cole Center roof (must be like-for-like to be re-purposed). The Oak Street contamination, cleanup and park amenities is going likely to much longer than 20 years, but at least meets that criteria of at least 20 years, which is similar to the longevity of a roof. This has been reviewed and approved by Bond Counsel.

A member noted that we were having discussions with the EPA in the spring as to which approach – soil removal or encapsulation they favored and recalled that there had been a few meetings between town officials, the EPA and the LSP, and the conclusion was that encapsulation is the way to go. Mr. Errickson noted that they have done additional testing and are still receiving those results. However, we do know that the EPA representative fully understood the complications of doing sort of a removal process. In my experience in a previous town, the EPA desire first and foremost is to remove the soil but there are circumstances where encapsulation in place is going to be the pragmatic option. However,

another project where I worked with the same person at EPA, we were able to encapsulate in place. Mr. Errickson said that the \$450,000 is a conservative estimate of what we think we need to spend – we're hopeful that it will be less.

A member asked whether there was any hazard to the public in using East Park. Mr. Errickson reiterated that the contaminated area is underground and the public is unlikely to encounter contact with the PCBs. Nonetheless, environmental contamination of the level found at the East Park is taken very seriously and we are following proper rules and regulations.

A member asked what the timeline of when this project might start and or be completed is. Mr. Errickson stated that our LSP has indicated that work could begin as early as this November, December, but it's more likely in spring 2021.

Ms. Malone said the town needs to get a sign off on the engineering component of the plan from the EPA and we have been diligently working with them. The engineering and design alone cost \$150,000. Part of this work is going to be somewhat weather-dependent. We'd like to be able to have our Little League be able to use the field in the spring. And, even if we are doing this in the spring, given the way it's cordoned off, we're confident that we can have both the field in use and work continuing on that slope side of the parcel. The duration of the project depends on the final approved design to determine the time it would take to install. Given what we're currently looking at, it's a relatively speaking, simple project. It will take a month or two, but it's not going to take six months to a year to install.

Mr. Errickson noted that one cleanup item that has been recommended by Town Counsel and the Town Moderator is to rescind the 2020 Spring Annual Town Meeting vote that appropriated \$450,000 for Cole Center roof replacement at the 2021 Spring Annual Town Meeting.

## FINANCE COMMITTEE RECOMMENDATION – MOTION H

The Finance Committee took the following action:	RECOMMENDATION:	<b>Favorable Action</b>
	QUANTUM OF VOTE:	<b>11-0-0</b>
	DATE VOTED:	<b>September 29, 2020</b>

### MOTION H (Requires a 2/3 Vote)

Move that the Town vote to appropriate the sum of \$1,875,000 to be expended under the direction of the Department of Public Works to pay costs of making improvements to roadways and sidewalks, and that to meet this appropriation the Town authorize the following:

a) the Treasurer with the approval of the Select Board is authorized to borrow \$1,328,601 under Massachusetts General Laws Chapter 44, Section 7, as amended, or any other enabling authority and to issue bonds or notes of the Town therefore aggregating not more than \$1,328,601 in principal amount and that the Town Administrator with the approval of the Select Board is authorized to take any action necessary to carry out this program, and further, that any premium received by the Town upon the sale of any bonds or notes approved by this vote, less any such premium applied to the payment of the costs of issuance of such bonds or notes, may be applied to the payment of costs approved by this vote in accordance with Chapter 44, Section 20 of the General Laws, thereby reducing the amount authorized to be borrowed to pay such costs by a like amount.

and

b) transfer from the balances listed below the sum of \$546,399:

- Under Article 15 Motion B of the 2016 Spring Annual Town Meeting in the amount of \$155,611, to pay costs of replacing sidewalks at Brown and Wilson
- Under Article 36 Motion B of the 2014 Spring Annual Town Meeting in the amount of \$285,000 to pay costs of Pond Street sidewalk and guardrail replacement
- Under Article 14 Motion B of the 2013 Spring Annual Town Meeting in the amount of \$105,788, to pay costs of retaining wall – Pond and Cemetery

which amounts are no longer needed for the projects for which they were originally borrowed.

## FINANCE COMMITTEE PUBLIC HEARING AND DISCUSSION – MOTION H

Mr. Errickson said motion H is the appropriation of \$1.875 million for roadway and sidewalk improvement work. Note that this funding is in two parts:



Part A is strictly a borrowing motion similar to motion A of Article 14, in the amount of \$1,328,601 sourced from tax Levy borrowing.

Part B transfers funding from other past appropriated projects. In all these cases, we have sums of money that are already borrowed and are available in our accounts. In two of the three borrowings, we've completed or partially completed the bulk of the work and the rest of the work is either on hold or we're not going to be doing any more work on that project so the funds would need to be re-appropriated. In the third borrowing, this was a project that we initially thought was going to go forward and as we analyzed the scope of the project we realized we could not cover the entire cost of the project with the money that was appropriated, so that money is currently on hold.

- a) Article 15 motion B of the 2016 spring annual town meeting was two separate items for sidewalk replacement at the Brown and the Wilson schools. In the case of the Wilson School, a portion of those funds were used to improve the sidewalks. This transfer will allow the DPW Department to gain better cost efficiency for the town because they can bid much larger amounts of work and they can receive a better overall cost for the sidewalk work and it can be done the time that makes it most advantageous.
- b) Article 36 motion B at 2014 Spring Annual Town Meeting for the Pond Street sidewalk and guardrail replacement work is a project that was originally anticipated to cost \$285,000 and the money was appropriated and bonded. Once the DPW Department analyzed the work involved in this project, it became very clear that once you started touching one component, you had to touch a greater extent of on the street so the project escalated to a prohibitive price, so the project was shelved. The town now has borrowed money and has to spend the money for pay for that borrowing within a certain time. We'll come back at a future date for the another allocation of funding for the Pond Street sidewalk and guardrail work.
- c) Article 14 of the 2013 Spring Annual Town Meeting is the project for the pond and Cemetery Street intersection. The project was completed and zero is \$105,000 left from that appropriation that can be used for work roadway and sidewalk improvements.

The total for component B is \$546,399. When combined with motion A, it equals to \$1.875 million

A member noted that it was gratifying that attention is being paid to keeping the roadways in better condition – this has been a priority of the town. Another member praised the efforts of the Select Board who, when these Articles were first presented to them had a lower amount allocated for roadway and sidewalk improvements and they urged increasing the amount .

**~~ END OF ARTICLE ~~**

**ARTICLE 15**  
**Increase Gross Receipts For Eligibility for Property Tax Deferral Program**  
**(Select Board)**

**ARTICLE LANGUAGE**

To see if the Town will vote to increase the maximum qualifying gross receipts from all sources which an eligible person may have as exempt from property taxes in the prior calendar year, to be eligible to defer property taxes under G.L. c. 59§ 5, Clause 41A; however such maximum qualifying gross receipts amount shall not exceed the amount of income determined by the commissioner of revenue for the purposes of subsection (k) of Section 6 of Chapter 62 for a single person who is not a head of household. Such increase to be effective for deferrals granted for taxes assessed for any fiscal year beginning on or after July 1, 2020; or otherwise act thereon.

**PURPOSE OF THE ARTICLE**

To provide options to senior citizens in Natick to enable them to stay in their homes longer and not be faced with financial hardship as their taxes rise on a year over year basis.

**FINANCE COMMITTEE RECOMMENDATION**

The Finance Committee took the following action:	RECOMMENDATION:	<b>No Action</b>
	QUANTUM OF VOTE:	<b>11-0-0</b>
	DATE VOTED:	<b>September 29, 2020</b>

**MOTION** (Requires a Majority Vote)

Move No Action on the subject matter of Article 15

**FINANCE COMMITTEE PUBLIC HEARING AND DISCUSSION**

Town Administration requested No Action on Article 15.

**~~ END OF ARTICLE ~~**

**ARTICLE 16**  
**Omnibus Financial Article**  
**(Town Meeting Practices and Rules Committee)**

**ARTICLE LANGUAGE**

**Town Agencies, Personnel Pay Plan and Elected Officials:**

To determine what sum of money the Town will appropriate and raise, or transfer from available funds, for the operation of the government of the Town of Natick, including debt and interest during Fiscal Year 2021 (July 1, 2020 to June 30, 2021), and to provide for a reserve fund for Fiscal Year 2021; or to otherwise act thereon.

To see if the Town, pursuant to the authority contained in Section 108A of Chapter 41 of the General Laws, will vote to amend the by-laws by adding to Article 24, Section 3, a new paragraph deleting certain position titles, adding new position titles and effecting changes in the salary ranges as presently established; or otherwise act thereon.

To see if the Town will vote to fix the salary and compensation of all elected officers of the Town of Natick for Fiscal Year 2021 (July 1, 2020 through June 30, 2021) as provided by Section 108 of Chapter 41 of the General Laws, as amended; or otherwise act thereon.

**Libraries:**

To see what sum of money the Town will vote to raise and appropriate, or otherwise provide, for the maintenance and operation of the Morse Institute Library, for Fiscal Year 2021 (July 1, 2020 through June 30, 2021); or otherwise act thereon.

To see what sum of money the Town will vote to raise and appropriate, or otherwise provide, for the maintenance and operation of the Bacon Free Library, for Fiscal Year 2021 (July 1, 2020 through June 30, 2021); or otherwise act thereon.

**School Bus Transportation and Revolving Funds**

To see if the Town will vote to appropriate and raise, or transfer from available funds, a sum of money for the purpose of operation and administration of the school bus transportation system, and to reduce or offset fees charged for students who elect to use the school bus transportation system for transportation to and from school, for Fiscal Year 2021 (July 1, 2020 through June 30, 2021); or otherwise act thereon.

To see if the Town will vote on the limit on the total amount that may be expended from each revolving fund established pursuant to Chapter 44 section 53E ½ of the General Laws and Town by-law; or otherwise act thereon.

**Capital**

To see if the Town will vote to appropriate and raise, borrow or otherwise provide, a sum of money as may be required for capital equipment for the various departments of the Town of Natick; to determine To see what sum of money the Town will vote to raise and appropriate, transfer from available funds or

otherwise provide for the purpose of supplementing the Stabilization Fund established under Article 22 of the warrant for Annual Town Meeting of 1961, as authorized by Chapter 40, Section 5B of the General Laws, as amended; or otherwise act thereon.

To see if the Town will vote to appropriate and raise, borrow or otherwise provide, a sum of money to implement a Capital Improvement Program, to protect the physical infrastructure of the Town of Natick, to add new physical infrastructure, or to improve community assets; and, further, to determine whether this appropriation shall be raised by borrowing or otherwise; or to otherwise act thereon.

### **Stabilization Funds, OPEB and PEG**

To see what sum of money the Town will vote to raise and appropriate, transfer from available funds or otherwise provide for the purpose of supplementing the Stabilization Fund established under Article 22 of the warrant for Annual Town Meeting of 1961, as authorized by Chapter 40, Section 5B of the General Laws, as amended; or otherwise act thereon.

To see if the Town will vote to appropriate a sum of money from available funds for the purpose of supplementing the Capital Stabilization Fund established under Article 2 of the warrant for Fall Annual Town Meeting of 2010, as authorized by Chapter 40, Section 5B of the General Laws, as amended; or otherwise act thereon.

To see if the Town will vote to appropriate a sum of money from available funds for the purpose of supplementing the Operational Stabilization Fund established by vote of the 2011 Spring Annual Town Meeting under Article 4, as authorized by Chapter 40, Section 5B of the General Laws, as amended; or otherwise act thereon.

To see if the Town will vote to appropriate a sum of money from available funds for the purpose of supplementing the Inflow & Infiltration Stabilization Fund established under Article 30 of the warrant for the Spring Annual Town Meeting of 2014, as authorized by Chapter 40, Section 5B of the General Laws, as amended, or otherwise act thereon.

To see if the Town will vote to appropriate a sum of money from available funds for the purpose of supplementing the FAR Bonus Stabilization Fund established under Article 24 of the warrant for the Fall Annual Town Meeting of 2015, as authorized by Chapter 40, Section 5B of the General Laws, as amended, or otherwise act thereon.

To see what sum of money the Town will vote to raise and appropriate, transfer from available funds or otherwise provide for, the Other Post-Employment Benefits Liability Trust Fund established pursuant to the provisions of Chapter 32B, Section 20 of the General Laws as amended by section 15 of Chapter 218 of the Acts of 2016; or otherwise act thereon.

To see what sum of money the Town will vote to appropriate from the PEG Access and Cable Related Fund, established by vote of 2019 Special Town Meeting #1 under Article 1, as authorized by Chapter 44, Section 53F  $\frac{3}{4}$  of the General Laws, as amended, to fund PEG access programming, as well as certain other municipal cable related expenses; or otherwise act thereon.

**Unpaid Bills**

To see what sum of money the Town will vote to raise and appropriate, transfer from available funds, or otherwise provide for the payment of unpaid bills of previous years, incurred by the departments, boards and officers of the Town of Natick; or otherwise act thereon.  
whether this appropriation shall be raised by borrowing or otherwise;  
  
or otherwise act thereon.

**PURPOSE OF THE ARTICLE**

To provide an illustration, example and available tool for a truly comprehensive financial warrant article for a Spring Town Meeting action on all budgets for the ensuing fiscal year.

**FINANCE COMMITTEE RECOMMENDATION**

The Finance Committee took the following action:	RECOMMENDATION:	<b>Referral to Town Administrator</b>
	QUANTUM OF VOTE:	<b>10-0-0</b>
	DATE VOTED:	<b>September 24, 2020</b>

**MOTION** (Requires a Majority Vote)

Move to refer the subject matter of Article 16 to the Town Administrator with the request that the format of Article 16 be considered for the format for financial articles for future Town Meetings beginning with 2021 Spring Annual Town Meeting.

**FINANCE COMMITTEE PUBLIC HEARING AND DISCUSSION**

Presenter:  
Ms. Cathi Collins, Town Meeting Rules and Practices Committee (TMPRC)

Ms. Collins stated that the goal of this Article is to aggregate all of the financial articles in a warrant that, so they can all be discussed by Town Meeting at once, so that we're not limited during the budget review to talk about individual budget components. For example, in the budget article we can't talk about the Town Clerk's salary or the school bus subsidy. This Article would allow you to talk about financial articles plus capital equipment, capital improvements, the libraries, and so on. It would be an expanded version of how the budget was handled at Spring Town Meeting in July.

The TMPRC finally settled on requesting referral, instead of creating a complicated motion that may not be necessary. Town Meeting can't force town administration to do that we can only request that everything be put together in such a way. The referral request will help us get a sense of whether Town Meeting believes this is a useful approach without doing a separate resolution that would need to be read into the record and voted and all of those things.

### **Questions from the Committee**

A member asked if the financial items are piled into one article and in this format, how the rule that limits a member to three questions on each motion be affected. Ms. Collins said just because the motion is presented as a single item doesn't mean it has to be considered, ultimately, as a single item by Town Meeting. If Town Meeting wants to break off a piece, they could do that if they have questions on a certain area. As far as the three questions, that is the moderator's call.

The chair asked the Town Moderator Mr. Frank Foss to comment on this. Mr. Foss is an ex-officio of the TMPRC along with the Town Clerk.

Mr. Foss said the three-question rule is not the moderators – it's a rule of Town Meeting. The three-question rule applies only when a speaker is recognized by the Moderator at Town Meeting. This will not change that nor will this rule give a member more than three questions, unless there are multiple motions provided under the Article.

The three-question rule gives you no more or no less opportunities except that you can speak once on an Article (with three questions) until everyone else who wants to speak has spoken. Then you could have more questions, three more questions, if recognized.

A member asked if this, basically, is a sifting mechanism where everything gets piled into the sifter, and then Town Meeting members can shake it. And anything that is non-controversial runs through it and gets voted at once and those issues that need further discussion could be talk about individually.

Ms. Collins said she wouldn't call it a sifter motion. This change would allow a Town Meeting member to refer to another part of the omnibus financial article as part of the whole financial picture and make a motion on it, so they could still do that without breaking anything apart. However, it would allow Town Meeting to be more efficient.

A member noted that both libraries are funded, at least in part by trust funds that were established for that purpose. My concern is that, if library's budget to put it in another budget you may get in a situation where we could endanger the library's Municipal Appropriation Requirement (MAR) that states that a municipality must appropriate a figure of at least the average of the last 3 years' municipal appropriations to the library for operations, increased by 2.5%, in order to be certified for State Aid to Public Libraries.

Ms. Collins said this Article would neither help nor hurt the libraries as the libraries have always been funded, in part, by those trust funds, just like the school is funded, in part, by grants, and someone could

always make a motion to reduce a library budget and add it to another part of the budget. This just allows all of the discussion to take place at one time.

A member asked whether this means that the Moderator would allow this consolidation or mandate this consolidation.

Ms. Collins said under the current rules, the only thing that's under discussion is the article and motion that are on the floor of Town Meeting, but that wouldn't preclude a member from making a motion to transfer funds between articles - it's just harder to have the discussion. This approach would allow Town Meeting to have discussion across everything, but Town Meeting chooses whether it wants to vote on everything at once; whether it wants to vote on a big chunk and have individual votes on some sections or even individual votes on every motion.

A member asked about the force of this Article and whether this is simply a recommendation to the Town Administrator. Ms. Collins confirmed that Town Meeting cannot force the Town Administrator to adopt this format, so it would be up to the Town Administrator to determine whether to implement this.

### **Questions from the public**

Mr. Foss asked whether this Article was designed to illustrate to Town Meeting that it could actually vote on all financial matters in one consolidated article that includes all the budgets, the library trust and the capital appropriations and put them into one article. The TMPRC is giving guidance to the Town Administrator, who normally is a sponsor of the budget article. By town charter, the Town Administrator is required to present the budget and this affords an opportunity to change the form of this budget presentation. This is an illustration to Town Meeting, not the Town Administrator of what could be done and Town Meeting members would have an opportunity to opine and to vote on what they would like to see.

Mr. Foss wanted to clarify some misconceptions that transferring funds between articles is not one of the reasons for doing this - it is impossible to transfer funds from one appropriation article to another appropriation article right now. However, if the appropriation was written in the manner suggested by this article (one omnibus budget article that includes all budget items), one could transfer funds between departments.

The second thing is we've always voted our budget in sections with the motions provided in each section. This Article would combine all operating costs and capital costs, and you can vote to transfer between any of those entities, where you could not do that under an individual article. Mr. Foss said he took no votes on the TMPRC.

Ms. Sue Salamoff asked whether anyone checked with Town Counsel regarding the Morse Institute library budget because after the charter was adopted, the town was sued by the Morse Institute library who stated that the Trustees of the Library were voted by residents and the town couldn't recall the Trustees and certain other provisions. Ms. Salamoff asked whether the TMPRC asked the Town

Administrator for her perspective on this Article. Ms. Collins said her understanding is that the Town Administrator was invited to a meeting but declined to attend. Ms. Salamoff concluded that she raised these questions because when we create new procedures we need to look at the intended as well as the unintended consequences of these procedural changes.

The Finance Committee moved to refer the subject matter of Article 16 to the Town Administrator with a request that the format of Article 16 be considered for the format for financial articles for future Town Meetings, beginning with 2021 Spring Annual Town Meeting.

### **Debate**

A member asked the TMPRC, in conjunction with the Town Administrator, to ask Town Counsel specifically about the two libraries and possible unintended consequences of the libraries that are partially funded by trust funds and partially funded by the town. I like the idea Ms. Collins alluded to as far as potential to shorten the duration of Town Meeting as we saw indications of that in the Spring Town Meeting where people could discuss the entire omnibus budget exclusive of capital.

A member said he is concerned that 2020 Spring Town Meeting is cited as a super success because that may be an anomaly because members were concerned about getting the budget passed quickly. It did illustrate some of the difficulties of “regular” Town Meeting, but I’m concerned about unintended consequences

A member said she generally supports this article but noted that one potential unintended consequence is that it puts a heavier burden on the Finance Committee in that it’s going to be incumbent upon us to provide the information to Town Meeting well enough in advance and detailed enough so that Town Meeting members will know which potential articles they would want to pull out the Omnibus budget article in advance of Town Meeting.

**~~ END OF ARTICLE ~~**



**ARTICLE 17**  
**Fox Hill Drive Sewer Betterment**  
**(Town Administrator)**

**ARTICLE LANGUAGE**

To see if the Town will vote to raise and appropriate, transfer from available funds, or otherwise provide a sum of money for the construction of Town sanitary sewer to service the area of Fox Hill Drive; to determine whether this appropriation shall be raised by borrowing or otherwise; such work to be performed and betterments to be assessed in accordance with applicable Massachusetts law and the Town of Natick By-Laws, Article 71; and to authorize the Select Board to acquire by purchase, eminent domain or otherwise, easements for utility purposes to permit the installation of Town sewer pipe and a sewer pump station for Fox Hill Drive, and service connections from said sewer pipe, and to allow the repair maintenance thereof;

or otherwise act thereon.

**PURPOSE OF THE ARTICLE**

To provide a sum of money for the construction of Town sanitary sewer to service the area of Fox Hill Drive and to authorize the Select Board to acquire utility easements to permit the installation of Town sewer pipe and a sewer pump station for Fox Hill Drive

**FINANCE COMMITTEE RECOMMENDATION**

The Finance Committee took the following action:	RECOMMENDATION:	<b>Favorable Action</b>
	QUANTUM OF VOTE:	<b>9-0-0</b>
	DATE VOTED:	<b>September 24, 2020</b>

**MOTION (Requires a 2/3 Vote)**

Move that the Town raise and appropriate \$1,131,900 to be expended under the Department of Public Works for the purpose of constructing Town sanitary sewer to service the area of Fox Hill Drive 25% of this amount to be transferred from the Water/Sewer Enterprise Fund, and 75% of this amount to be raised by assessment on the homeowners on Fox Hill Drive in equal amounts, pursuant to Article 71 of the Town of Natick By-Laws; and to meet this appropriation the Treasurer with the approval of the Board of Selectmen is authorized to borrow \$1,131,900 under Massachusetts General Laws Chapter 44, Section 8, as amended, or any other enabling authority and to issue bonds or notes of the Town therefore aggregating not more than \$1,131,900 in principal amount and that the Town Administrator with the

approval of the board of Selectmen is authorized to take any action necessary to carry out this program, and further, that any premium received by the Town upon the sale of any bonds or notes approved by this vote, less any such premium applied to the payment of the costs of issuance of such bonds or notes, may be applied to the payment of costs approved by this vote in accordance with Chapter 44, Section 20 of the General Laws, thereby reducing the amount authorized to be borrowed to pay such costs by a like amount. Further to authorize the Board of Selectmen to assess betterments in accordance with applicable Massachusetts law and the Town of Natick By-Laws, Article 71; to acquire by purchase, eminent domain or otherwise, easements for utility purposes to permit the installation of Town sewer pipe and a sewer pump station for Fox Hill Drive, and service connections from said sewer pipe, and to allow the repair and maintenance thereof; and to take any action necessary to carry out this program.

## **FINANCE COMMITTEE PUBLIC HEARING AND DISCUSSION**

The Finance Committee met on September 24, 2020 to discuss Special Town Meeting Article 17 and voted 9-0-0 to recommend Favorable Action.

Presenter: Mr. Jeremy Marsette, DPW Director

This project is for the extension of public sewer to approximately 223 homes on Fox Hill Road and was approved at a previous Town Meeting. The project is scheduled to be bid this fall with a bid opening in the October/November timeframe, hopefully awarding a contract in December for construction next year. The prior motion voted by Town Meeting has a minor flaw that caused some angst with bond counsel. In the interest of covering all bases, this is being brought forward again for a re-vote at Town Meeting to clarify the motion and to ensure that borrowing is allowed and authorized.

### **Questions from the Committee**

A member said if Town Meeting approved this in the past I think we have to rescind the previously approved article. Mr. Marsette agreed and Town Moderator Mr. Frank Foss confirmed that it would be required and would require a new article and motion. We've had circumstances where we've had two appropriations for the same project, and then came back later and then rescinded one of them so I think that's what we'll have to do.

A member asked if the amount of money here is sufficient to do the work. Mr. Marsette said our water/sewer consulting engineer who has been involved in the project recently reviewed the cost estimates and is comfortable that this will be sufficient to cover the cost of this project.

A member asked if there were any undeveloped lots in this area. Mr. Marsette said there are none.

A member asked if any of the changes in this motion versus the previous motion would cause any short-term or longer-term problems for the town. Mr. Marsette said they would not.

A member asked whether a systemic analysis was done on how this would affect the overall capacity of the sewer system in that part of town. Mr. Marsette said that analysis is done by the water/sewer

consulting engineer who makes recommendations for what is required to make this work smoothly with no detrimental effects to the system.

A member asked whether Mr. Marsette could point out what exactly changed in this article versus the previous article. Mr. Marsette said, apparently, the previous motion did not include the other authorization to borrow this new motion includes that language.

A member asked whether the budget appropriation of \$1,131,900 was the same. Mr. Marsette said the amount is the same.

A member stated that when we reviewed this article last town meeting, number of residents of Fox Hill Drive came forward and said that they wanted this sewer betterment and were willing to pay for it. Many of them had septic systems that were on the verge of failing and putting in new septic was really not feasible because of the geology of the area. There is a lot of New England rock underneath Fox Hill, so this was very palatable to them and they agreed on the figure back then and will do so now.

**~~ END OF ARTICLE ~~**

**ARTICLE 18**  
**Report and Discuss Town Meeting Practices and Rules Committee**  
**(Town Meeting Practices and Rules Committee)**

**ARTICLE LANGUAGE**

To see what action(s) the Town will take to:

- 1) Hear and discuss a report from the Town Meeting Practices and Rules Committee;
- 2) Approve, accept and or adopt a revised Town Meeting Member Handbook;
- 3) Extend the term of the Town Meeting Practices and Rules Committee;
- 4) Appropriate monies or transfer from available funds for the work of the Town Meeting Practices and Rules Committee;

or otherwise act thereon.

**PURPOSE OF THE ARTICLE**

To allow Town Meeting to hear and discuss the report of the Town Meeting Practices and Rules Committee (TMPRC); to extend the term of the TMPRC through Fall 2021 Town Meeting; to provide funds for printing the final revised Town Meeting Member Handbook.

**FINANCE COMMITTEE RECOMMENDATION**

The Finance Committee took the following action:	RECOMMENDATION:	<b>Favorable Action</b>
	QUANTUM OF VOTE:	<b>8-0-0</b>
	DATE VOTED:	<b>September 10, 2020</b>

**MOTION** (Requires a Majority Vote)

Move to

- 1) Hear and discuss a report from the Town Meeting Practices and Rules Committee;
- 2) Extend the term of the Town Meeting Practices and Rules Committee through Fall 2021 Town Meeting; and
- 3) Appropriate \$5,000 from free cash for printing the final copies of the revised Town Meeting Member Handbook.

## **FINANCE COMMITTEE PUBLIC HEARING AND DISCUSSION**

The Finance Committee met on September 10, 2020 to discuss Special Town Meeting Article 18 and voted 8-0-0 to recommend Favorable Action.

Mr. Paul Griesmer, TMPRC Chair, said Article 18 moves to hear and discuss the report from the TMPRC, to extend it to Fall 2021 and to appropriate \$5,000 in Free Cash to print final copies of the revised Town Meeting Member Handbook. A draft version of the handbook is targeted for the spring.

**~~ END OF ARTICLE ~~**

**ARTICLE 19**  
**FY20 and FY21 COVID-19 Related Expenses of Natick Public Schools**  
**(Superintendent of Schools)**

**ARTICLE LANGUAGE**

To see what sum or sums of money the Town will vote to raise and appropriate, transfer from available funds, borrow, or otherwise provide for:

- A) expenses incurred by the Natick Public Schools due to COVID-19 (aka Coronavirus) during FY20 and/or FY21; and/or
- B) any and all unemployment costs related to the furloughing of Natick Public Schools employees due to COVID-19 including but not limited to employees paid through any and all revolving accounts for FY20 and/or FY21; and/or
- C) supplementing the FY2021 NPS budget appropriated under Article 8, Motion A1 of the 2020 Spring Annual Town Meeting; and/or
- D) obtaining and installing capital equipment and/or capital improvements in FY20 and/or F21;

or otherwise act thereon.

**PURPOSE OF THE ARTICLE**

To fund expenses incurred by the Natick Public Schools due to COVID-19 (aka Coronavirus) during FY20 and/or FY21

**FINANCE COMMITTEE RECOMMENDATION**

The Finance Committee took the following action:	RECOMMENDATION:	<b>Favorable Action</b>
	QUANTUM OF VOTE:	<b>11-0-0</b>
	DATE VOTED:	<b>October 13, 2020</b>

**MOTION (Requires a Majority Vote)**

**Move that the Town vote to supplement the appropriation for the Natick Public Schools, voted under Article 8 - Motion A1 of the 2020 Spring Annual Town Meeting by adding \$300,000 for the purpose of addressing increased salaries and expenses related to the COVID-19 pandemic and that the above appropriation be raised from the following source.**

**2021 State Aid: \$300,000**

## **FINANCE COMMITTEE PUBLIC HEARING AND DISCUSSION**

The Finance Committee met on October 6, 2020 to begin discussions on Special Town Meeting Article 19 and voted 11 – 0 – 3 to postpone consideration of Article 19 until October 13, 2020. On October 13, 2020, the Finance Committee recommended Favorable Action 11 – 0 – 0.

### **October 13, 2020**

Presenter:

Dr. Anna Nolin, Superintendent, NPS

Dr. Nolin noted that with Article 1 Motion A recommended for approval at Town Meeting, NPS is requesting that the town vote to supplement the appropriation for the Natick Public Schools voted under Article 8 Motion 1A at 2020 Spring Annual Town Meeting by adding \$300,000 for the purpose of addressing increased salaries and expenses related to the COVID-19 pandemic and that the above appropriation be raised from State Aid.

Members were appreciative of the Town Administrator and the Superintendent coming together to find a path forward that meets the needs of both Natick Public Schools and the town at-large.

Members expressed hope that Town Meeting will prove both Article 1 Motion A and Article 19 as the best path forward.

A member stated that in the uncertain, complex world we're in right now, guiding Town Meeting members through this uncertainty requires strong leadership. The member expressed praise and admiration to our Town Administrator and Superintendent to provide the Finance Committee an appropriate chance to reinforce that leadership.

A member noted that Natick public schools is going through a difficult period, with incredible complexity, mandates from the DPH, BOH, and DESE that are fluid in response to the pandemic. There are three teaching models – hybrid learning, remote learning academy, and full live school and there are a multitude of issues that have needed to be addressed in a short period of time. The member said it's very likely that is \$300,000 will be utilized sooner rather than later. And most likely, the Finance Committee and the School Committee will be discussing the FY21 operational expenses in the spring. However, the member said he was confident that this will be wisely spent.

A member said an article in the *Wall Street Journal* quoted the CEO of Airbnb as saying "I did not know that I would make 10 years' worth of decisions in 10 weeks". That is what the school department and town administration have been dealing with, and they deserve our thanks and respect.

### **October 6, 2020**

Presenter: Dr. Anna Nolin, Superintendent, NPS

Dr. Nolin noted that she initially presented this request on September 16, 2020 and her presentation is updated with current numbers and will point out differences in case you have received an earlier version of this memo and information. The initial request for \$1.4 million has been adjusted downward to \$1.137 million (see link below for document) which reflects adjustments made in the town offices around actual unemployment costs associated with FY 20 school furloughs, as well as adjusted bus fee updates since school has now been in process for a month. The second link (below) is a spreadsheet version of this memo.

[COVID Costs \\$1.137 Million Dollars to Date](#)  
[Spreadsheet version of this memo](#)

Dr. Nolin said NPS has been in talks over the last several weeks with our town partners to find the most advantageous way to address these expenses as a town. NPS is not alone as I'm in meetings with 46 other Superintendents who are contending with the same challenge. We've discussed strategies to address these challenges including use of CARES funding, FEMA funding, CVFR funding and strategic use of capital stabilization accounts, putting our best thinking forward.

	Spent	Sept-Dec	Jan-Jun		Grants	Overage (Shortage)
Human Resources	\$302,111.88	\$856,838.00	TBD/Projected Costs	\$1,158,949.88		
Transport/Fees	\$0.00	\$353,404.00	TBD/Projected Costs	\$353,404.00		
COVID Tracking	\$30,000.00	\$30,000	TBD/Projected Costs	\$60,000.00		
Teaching & Learning	\$286,000.00	\$48,000.00	TBD/Projected Costs	\$334,000.00		
Special Education	\$26,625.00	\$250,173.00	TBD/Projected Costs	\$276,798.00		
Energy	\$0	\$0	\$375,000	\$375,000.00		
Custodial Supplies		\$101,778.29	\$152,667.43			
Total NPS	\$644,736.88	\$1,640,193.29	\$527,667.43	\$2,812,597.60	\$1,449,500.00	(\$1,363,097.60)
Facilities	\$2,330,863.00	\$269,708.91	\$13,440.00	\$2,614,011.91	\$2,800,000.00	\$185,988.09
GRAND TOTAL	\$2,975,599.88	\$1,909,902.20	\$541,107.43	\$5,426,609.51	\$4,249,500.00	(\$1,146,109.51)

This spreadsheet provides an overview of the categories of spending, timing of that spending, and projected cost.



NPS has obtained the following grants since June 30, 2020 to help fund these costs:

Grant	Amount	Description
CVRF	\$1,237,500	CVRF is the CARES Act money dedicated solely to schools and schools expenses.
DESE Technology	\$116,000	DESE technology grant which was unusual for a district like ours, because they were mostly given to urban and in poorer districts.
Reallocation of PD from Title IIA	\$60,000	This grant allows us to allocate funding from Title IIA to fund professional development
Vacation & Weekend Grant	\$36,000	This grant is based on Natick's Title 1 status and is to help address the learning loss due to the six months closure and is designed to provide some weekend and vacation remediation services to our most fragile students.
Total grants	\$1,449,500	

Because Natick had low infection rates and the capacity to fit students in classes with six feet of social distancing and numerous other safety accommodations, NPS is able to bring back students by running three school models simultaneously.

	K	1	2	3	4	5	6	7	8	9	10	11	12	Total
Hybrid	234	291	284	304	285	313	313	339	334	336	344	350	373	4100
	1398					1299					1403			
Remote	76	75	85	77	65	59	70	35	49	39	36	24	18	708
	378					213					117			
Full	33	32	50	36	66	51	49	40	19	9	10	12	17	424
	217					159					48			
Total	343	398	419	417	416	423	432	414	402	384	390	386	408	5232
	1993					1671					1568			

### Hybrid Model:

In this model, 50% of the students come to school in for one week (Cohort A), and 50% in the following week (Cohort B) alternating live school one week and remote school the next week. We did this for virus mitigation expectations – the combined five days of school out plus two weekend days on either side of that week allows for a nine day period of students not being in live classes, which is almost the CDC expectation of 11 days of quarantine if a student in a class is infected with COVID. The Board of Health vetted the different models that were proposed and found this one to be the best option for virus mitigation. There was a huge push from the governor and the DESE commissioner for us to be open 100% live, but we could not fit all of our students in schools with three feet of social distancing and protect those students. The Board of Health's recommendation was to use the hybrid model (a.k.a., the 50/50 model).

**Remote (aka, Remote Learning Academy)** This model is a DESE mandate that all districts keep what's called a remote learning backbone allowing parents to choose not to send their children to school, whether their child had a medical issue or not, and not have to take on full homeschooling. DESE required each school system to provide a digital curriculum tool that allowed for standalone options for education and to allow our teachers who teach our special education students who have medical issues and have a right to receive all of their services in remote settings. This is different from last spring when DESE gave districts a pass and pushed pause on services noting that they could deal with them when they opened in the fall. This drives the need for compensatory services for Special Ed this year. The DESE Commissioner also mandated that families can move back and forth between models every four weeks. Thus, throughout each month of the school year, parents can move from one model to another.

**Full** If NPS could fit with the appropriate social distancing & safety procedures special education students and high needs students were asked to be able to attend full time live instruction, as well as the children in grades K – 6 of public school educators, were allowed by the DESE Commissioner to attend live school full-time.

The numbers in the chart are the choices of the different models made by students, by grade level at the beginning of the school year and that's how they stand today. October 11 is that first four week mark where parents can opt to have their children move from one model to the other. NPS is bracing for what this means in terms of reordering of this model again, reordering transportation, etc.

To provide those models means changes in staffing – we cannot simply take all our staff divide them in three and give them to each mode and hope that the student enrollment matches. Not all teachers are certified to teach all subjects or all grades. In addition, we had many teachers who had to go on medical leave due to the virus threats to their own health, or they were able to take leaves due to the CARES Act Family Leave Act which will allow them 12 weeks of leave at two-thirds pay if they had to care for a family member or had some other coronavirus-related situation (for instance, if their childcare was unavailable due to closures or something to do with the COVID virus).

Thus, we had to create some positions that we called “*cohort subs*” and “*cohort monitors*”. These positions were required because our old substitute teacher model is not feasible. Pre-COVID, substitute teachers could move from building to building wherever we needed them to substitute for sick teachers. However this cannot occur with the cohorting model required by the Board of Health & DESE, so we need to assign cohort subs to one of the two cohorts at each individual school.

This means that you have cohort A and cohort B at each school and each grade level so the cohort subs cannot teach in two different cohorts at the same school nor can they teach at another school to ensure safety of the students and faculty. In addition, we had to create “cohort monitors” who monitor children while teachers who are on medical or remote teaching duties. These monitors are there to ensure that students in school are not running wild or doing anything dangerous, and provide help in accessing the video lessons that are being presented by the remote teacher.

**Table 1 – Human Resources Requirements**

Level	Long Term Subs/Replacement for Remote Learning**	Paras	Cohort Subs	Cohort Monitors**
Preschool (1)	.9	0	0	0
Elementary (5 schools)	19	7	12	7
Middle (2 schools)	9	5	7	5
High School (1 School)	7 added .4 adjustment counselor	0	5	8

**Special Education Included In the above numbers**

43 staffers have medical excuses with Dr. notes for accommodations to teach remotely, verified under ADA, or to care for a family member. Thus, we need *Long Term Subs* for them [if they cannot teach at all] or a *Cohort Sub* for them (if they can video teach from their home into school, and a *Cohort Monitor* to monitor the children in the live classroom)

While we did not have to replace every person who went on remote assignment, some of them on straight-up leave and could not teach at all. For those 24 individuals, not only were we paying their leaves because they were eligible for leaves of absence, we then had to hire a replacement to teach the classes that they would have taught. All of our SPED services are included in these numbers. All staffers who require medical excuses must have it verified by a doctor under the ADA family leave criteria.

**Table 2 – COVID-related Expenses required to open the schools**

Category	Category total	Percent of Total
Human resources	1,158,949.88	21%
Transportation & Tuitions	353,404.00	7%
COVID Tracking/Compliance	30,000.00	1%
Teaching & Learning	334,000.00	6%
Special Education	276,798.00	5%
Facilities	728,348.91	13%
Energy	435,000.00	8%
Custodial Supplies	254,445.72	5%
HVAC additional repairs	105,000.00	2%
Classroom/office partitions	1,720,663.00	32%
Total Expenses	5,396,609.51	

**Table 3 – Teaching and Learning Expenses**

Category	Category total	Percent of Total
Professional Development to Reopen School	\$30,000.00	9%
Digitize Curriculum	\$133,600.00	40%
Mandated Remote Learning	\$156,980.00	47%
Manipulatives, etc.	\$13,360.00	4%
Total Expenses	\$334,000.00	

The majority of the expenses (47%) went towards the *mandated Remote Learning Academy (RLA)*. Dr. Nolin said while NPS can deploy some teachers to oversee the 600 students who chose RLA out of our 5700 students in NPS, we can't have a ratio of one teacher for one class. In the high school, the average student has eight different teachers. And they may have millions of permutations of what a schedule could be. We can't replicate all the high school staffing that we can in a brick-and-mortar school for RLA students. However we could, through a combination of digitized curriculum and synchronous and asynchronous resources, we can provide nearly all of the high school courses.

The second largest cost was *digitizing our curriculum* and preparing for hybrid and remote learning – it's very different to teach using virtual resources than it is to teach live, so we had to purchase some digital resources.

The Department of Education made a state-wide agreement with the teachers union for 10 days of *professional development* prior to the start of school, which is why school started so late. That meant we had to pay for professional development in the areas of safety, hybrid instruction, remote instruction, etc. We did some of that professional development in June and August in anticipation of opening.

The remaining 4% is a mandate from BOH, CDC, and Mass. DPH that students not share manipulatives or play things or learning assistance tools of any type (these include things like dice or dominoes for students to learn math, certain materials that they may share in shop class, or musical instruments, and shared toys in our preschool and kindergarten). While we did not buy discrete sets of every manipulative for every child, we did have to buy some additional sets so that we could adequately share them across cohorts.

**Table 4 – Human Resources**

Category	Category total	Percent of Total
Costs for furloughed employees under the amplified CARES act benefits	\$291,111.88	25%
CARES Family Leave (EFMLEA)	\$47,682.00	4%
Long term subs to cover Edgenuity teachers' classrooms (13@\$14,500 each)	\$188,000.00	16%

Class monitors to cover teachers who have to teach remotely due to quarantine or being assigned to remote learning due to medical complications (32@ \$7,257 each)	\$232,224.00	20%
Permanent subs cohorted with each grade level and department (24@ \$9,700 each)	\$232,800.00	20%
New positions required to cover both hybrid and remote schooling options (\$63,010 per position x .4)	\$25,204.00	2%
Added healthcare for new positions added to cover schooling models, etc. (@9/1/20)	\$0.00	0%
Per diem department head costs to prepare remote learning curriculum	\$10,928.00	1%
Assistant Human Resources director (increased FMLA and CVFR leaves, HR moves, prorated pay)	\$60,000.00	5%
Business Office Additional Help/MUNIS and workflow redesign	\$25,000.00	2%
Data administrator, Rauvna COVID tracking and checklist implementation, increased data tracking for grant funding and three learning models of data	\$25,000.00	2%
Leadership cost for administrative oversight of remote learning academy	\$10,000.00	1%
Cost for added month of ASAP health insurance (sub positions/monitors/keep staff on until ASAP reopens)	\$11,000.00	1%
<b>Total Expenses</b>	<b>\$1,158,949.88</b>	

As you would expect, our major expense is human resources:

- 29% of our HR expenses are addressing payments to furloughed employees and those with leaves under CARES act. Last year, we had to furlough our ASAP staff and cafeteria workers because we were in full closure. Those unemployment benefits outpaced what the NPS and the town of Natick typically expends in a year.
- The next three highest contributors are Long term subs to cover Edgenuity teachers' classrooms (16%), Class monitors to cover teachers who have to teach remotely due to quarantine or being assigned to remote learning due to medical complications (20%), and "permanent subs" cohorted with each grade level and department.
- Teachers are required to fill out an attestation of health each day. If they do not meet the criteria on that form, they are directed to stay home. In practice this means that where they previously had symptoms such as these and would have in this condition, they are not permitted to do so in this environment. In this case, they remotely teach and we have to cover the class with a cohort monitor. Cohort monitors also oversee mask breaks so teachers can still get their contractual preparatory periods and all children can get the required 3-4 mask breaks a day that the Dept. of Ed. has suggested.

***Table 5 – Comparison with other towns***

Town	Total Cost	FALL TM Request	Other Notes
Medway	\$2.3 million	All	(\$650K will be CARES)
Needham	\$5 million	\$2 million	embeds yearlong cost estimates
Ashland	\$2 million	All	\$700K from town grants and this is only through 12/31, ½ the positions being hired still need funding and full year needs funding.
Wellesley	unshared	\$1.5 million	through January

### *Possible ways to fund remaining COVID costs*

*Chapter 70 funding.* As you know, when the FY 21 budget was approved in July, Chapter 70 funds were predicted to be reduced by 20%. Following Town Meeting, we were notified that Chapter 70 funds would be level-funded from FY 20, plus an additional \$83,000 for the town of Natick. Other towns listed in our DART cohort did not ask their unions to forgo the 1% COLA that they were entitled to receive per their union contract, so the human resource figures do not include that 1% COLA. I will also note that we cut seven positions and repurposed five positions. We added those seven positions back because we need them to fill the cohort sub and cohort monitor positions.

Other towns are making different choices about how to fund various overruns and costs for COVID. Many are fronting *Capital Stabilization Fund* money for things that are facility modifications or purchases such as air purification or air filtration systems.

Communities with unallocated *free cash* are employing free cash to address these needs. Another potential source is *new growth revenue*, so that's a positive for Natick. Another potential source is *emergency stabilization funds* and they are often being leveraged for this purpose.

And *FEMA and CARES* are being used in a way that as FEMA reimbursements become clear, monies get reimbursed back into Capital Stabilization or CARES money is used for subsequent expenses. This may be something that we as a town can continue to look at as our reimbursements come in from FEMA.

*Tax levy.* Dr. Nolin said she wanted the Finance Committee and the Natick community to know the scope of expenses we expect through this school year. In my opinion, it's not a strong strategy to wait until we encounter budget difficulties when we can square away as much as we can in the fall. Dr. Nolin noted that, if these funds are not spent, they will return those funds to the town. We understand that these are for COVID-related needs only and not to be subsumed within the school budget. Hence, the COVID article # 19 that we have put forward. With so many variables though, it's prudent to be prepared to carry on as best as possible through the end of the school year. If there a surplus from these monies or we have to go into full closure again, we will have public discussions on how to redistribute these monies back into town funds.

### *NPS Revolving Fund Analysis*

Presenter: Dr. Peter Gray, Director of Finance, NPS

Dr. Gray said NPS has over 34 revolving accounts totaling over \$4 billion. If you ran a report from MUNIS at any given time, that number would go from \$4 million to \$4.5 million, depending on when we were paid for certain things. Some revolving accounts are paid on a quarterly basis by the state such as Circuit Breaker and our School Choice account. Others such as our bus transportation fees are paid in the spring when people pay for them, so that revolving account total balance can fluctuate throughout the year. Of the 34 revolving accounts, 22 of them \$20,000; five of them have balances between \$20,000 and \$100,000; and seven have account balances greater than \$100,000. Of those seven, three are business accounts: ASAP, Food Services Program, & our summer school program. The remaining four accounts are educational accounts – the circuit breaker account, bus transportation fee account, foreign student account, and school joint account. The five largest revolving accounts account for 90% of NPS' revolving account balance.

**Circuit Breaker - approximate balance is \$800,000 to \$1.2 million - (we maintain a minimum balance for potential student needs).** This is a state reimbursement program to Special Education that pays for the district's prior year's expenses. The eligibility threshold equals four times the state average foundation budget per pupil, with the state paying 75% of the costs above that threshold. Payments are received quarterly based on the prior year claim and the final quarter payment in July fully funds the prior year obligations.

**ASAP - approximate balance - \$180,000 (we pay salaries/benefits and expenses for the program) -** This is an afterschool enrichment program for elementary aged students classes are designed and led by NPS staff.

**School Choice - approximate balance - \$300,000 (we pay teachers from this account - enrollment is closed).** Each year the School Committee in each school district decides whether to accept new enrollments under this program and, if so, in what grades. Once a child is accepted into another district under School Choice, he or she is entitled to attend that district's schools until high school graduation. Transportation is not provided for students attending another school district under this program. The State sets the rate and is currently \$5,000 per student with incremental increases for Special Education students.

**Bus Transportation - approximate balance - \$126,000 (we offset bus expenses from this account)** State law requires Natick provide transportation for K-6 students living in excess of two miles from their assigned school. The school district has chosen to offer all additional students fee-based bus transportation. The current fee is \$200 per rider with a \$400 family cap and the fee is waived for students eligible for Free or Reduced cost lunch.

**Food Services- approximate balance - \$700,000 (we pay salaries/benefits and expenses for food services)**

The bottom line is that we cannot use funding from these revolving accounts without replenishment at some point in these revolving funds are restricted to being spent on their specific purpose.

There has been discussion about whether NPS should wait until the Spring Annual Town Meeting to obtain the additional funding it needs and that Town Meeting need not appropriate funds at Fall Town Meeting. Dr. Gray reviewed an analysis of the NPS financial books.

**An analysis of the NPS Financial Statement as of April 30, 2020 without encumbrances would show the following balances:**

Salaries	\$40,219,633
Expenses	\$10,894,095
Total	\$51,113,728
Less: Total FY20 appropriation	\$67,810,346
Balance	<b>\$16,696,618</b>

**When encumbrances are added into the calculations and spending occurs in May and June, the following balances are available:**

Total Expenditures to Date	\$51,113,728
Encumbered Salaries	\$13,303,828
Encumbered Expenses	\$ 1,895,973
Subtotal including encumbrances	\$66,313,529
Total FY20 Appropriation	\$67,810,346
<b>Balance as of April 30, 2020</b>	<b>\$ 1,496,817</b>
Expenses May and June 2020	(\$ 1,240,282)
Ending Balance**	<b>\$ 256,535</b>

Note: Returned to Town as free cash from bus transportation subsidy (\$256,535)

Dr. Gray noted that the account balances then become much less than it would appear and noted that nearly \$13.3 million is for salaries and \$1.9 million in expenses including, out-of-district tuition still owed by the district, utilities, and some other large expenses). As we look through May and June, we really only have about \$1.5 million available that we haven't committed to anything.

Dr. Nolin stated that NPS has an exact idea of how much they need to pay in salaries to our teachers and administrators. Right now, because we don't have the capacity to enter those encumbrances in MUNIS, we must keep those salary encumbrances on an Excel spreadsheet. Starting in May, we begin a very thorough analysis of our expenses and salaries and track it as we get closer to the end of the fiscal year to make sure that we stay on budget and don't have any surprises. We hope, in the future, to gain better access into the MUNIS system so that we're able to encumber our salaries and this will be easily visible.

We have shared with you costs for 40% of the school year with some projections for the remainder

- Energy Unknowns: The HVAC systems have been upgraded and are working at a greater rate to bring in more fresh air into the buildings and that's a change in energy settings from the past. The BOH mandates keeping windows open right now; we're not sure how long that's going to last and what kind of energy cost impact it will have.
- New Long-Term Substitutes/Monitors past December 31, 2020 become benefited after 6 months of service



- PPE, month to month - we purchased PPE via a bulk buy done by the town, but we've only purchased PPE for part of the year and need to start ordering for the remainder of the school year.

It is not prudent to wait to address this need when more needs will coincide with second semester needs and the emergent needs of the FY 22 Budget. We've tried to cut back where possible. For example, our Communications Director, which is an administrative position, went on leave this year and we did not replace her (I have been serving in that role). Two central office positions in the business office have not been filled for the first quarter for the same reason. We reduced consultant contracts for early literacy training and we didn't offer all courses at Natick HS. We had to reduce sections of physics, chemistry, and some courses had to be moved totally online, due to restrictions on teachers or demand. And, there are many more...

### **Committee Questions**

A member asked why the facilities upgrades were not being taken out of capitalization stabilization accounts rather than operating costs. Dr. Nolin said many towns front those costs out of capital stabilization and get reimbursement through FEMA or CARES. Dr. Nolin stated that, as you heard in previous meetings, utilizing capital stabilization is clearly not in the Town Administrator's expectations for how this would be funded due to borrowing and bonding issues, and she did not want to deplete capital stabilization.

A member asked for an explanation why it's not a good idea to wait until Spring Annual Town Meeting to ask for funding – what financial bind are you're going to find yourself in. Dr. Gray said in the illustration he provided from last fiscal year, without looking at what we're committed to pay, we have about \$16 million to get through May and June. However, when we look to see at the salaries we're here contractually obligated to pay, and then look at what we need to pay out for the bus contract or out-of-district placements, and utility bills, there is very little un-appropriated cash. The encumbered salaries and encumbered expenses are committed to be paid. As the business manager, I only have about \$1.5 million that I have some flexibility on. My point is that if we didn't take action in the fall to cover the COVID costs and we had a problem prior to Spring Annual Town Meeting, we would have to immediately cease all spending and probably lay off staff in order to not exceed our appropriation.

A member asked if there is a long-term plan for how cohort subs and cohort monitors might participate in NPS post-COVID – would they become teachers or would their role just end when this is over. Dr. Nolin said NPS has been trying to do some creative thinking in this area. For example, we haven't been able to get our ASAP program running yet, but it's about to start. In the interim, we deployed those ASAP teachers as cohort subs and cohort monitors. Many districts couldn't staff these needs, but we deployed internally. And as ASAP has opened, we have backfilled those positions. We've always seen our ASAP program as the farm team, if you will, to our major league. So we really believe in the idea that we hopefully are capturing some new people that we can train up from the sub status.

A member asked if the schools went to a fully remote, what would be the timeline for returning any unspent funds. Dr. Nolin said it would depend on when and if full closure occurred. One of the issues of having this as a separate article from the Omnibus budget is that the expenses could be more readily tracked and not be subsumed as part of the school budget itself.

A member asked the difference between the proposed motion that we saw last week which was roughly \$861,000 and the new figure of \$1,148,000. Dr. Nolin stated that she and Ms. Malone have been tossing two scenarios back and forth. One is that Ms. Malone indicates there's a possible \$300,000 that might be available for this funding and believes that is the only amount that is necessary for NPS to receive from the town at this time. In addition, we can use circuit breaker funds now but then we'll have to come back to the Committee to request funding for any overages in special education costs, which we never do. Other districts have emergency stabilization funds for those reasons; we just try to be good budgeters with that special education checkbook.

Ms. Malone stated that she understands what other municipalities are doing and other flexible measures that they have. Given our current structure, I'd like to offer a possible solution to this impasse, which is the reserve fund transfer, which is possible. There is a Finance Committee Reserve Fund line with \$250,000 in that fund. We could increase the amount in that Reserve Fund and fund it from free cash, although we don't have that certified free cash number yet, we do have estimates of what new growth is estimated to be. I think that this is a viable solution. Further, this goes very well with one of the initiatives that I look forward to working on in the next fiscal year to clear up the chart of accounts issue with MUNIS so that both town administration and school administration are looking at the same figures.

A member moved to refer Article 19 back to the Town Administrator and the Superintendent, not voted.

A member moved to postpone consideration of this article until October 13, voted 11 – 0 – 3.

**~~ END OF ARTICLE ~~**

**ARTICLE 20**  
**Facilities Management Department**  
**(Cathi Collins et. al)**

**ARTICLE LANGUAGE**

To see what action(s) the Town will take, under M.G.L. c.71 §37M or any other authority, vote or action, regarding the joint facilities arrangement, so called, between the Natick Public Schools and the Town of Natick General Government including but not limited to the following:

A) to rescind, to unwind, revoke, reorganize and/or realign any or all parts of said joint facilities arrangement and/or any authorization(s) for same, including but not limited, to votes of Town Meeting under Article 32 of 2010 Fall Annual Town Meeting, under Article 2 of 2012 Spring Annual Town Meeting or under any other Article of any Town Meeting;

B) to determine the effective date(s) of such rescission, unwinding, revocation, reorganization and/or realignment;

C) to determine, if necessary and/or advisable, whether the scope of such rescission, unwinding, revocation, reorganization and/or realignment shall include all or parts of facilities maintenance and management (i.e. without limitation buildings, structures, grounds, other facilities, facilities related expenditures, equipment, software, licenses, documents, records and/or contracts) and/or to determine the extent of the scope of any such rescission, unwinding, revocation, reorganization and/or realignment;

D) to determine what specific facilities and/or categories of facilities maintenance and management and/or specific facilities maintenance and management expenditures and/or categories of facilities maintenance and management expenditures (including without limitation payroll, contract services, electricity, fuel etc.) shall be under the facilities management responsibility, authority, care, custody and/or control of the Natick Public Schools especially, but not necessarily, if such responsibility, authority, care, custody and/or control is not already established and/or to clarify and/or to transfer responsibility, authority, care, custody and control of any school related facility to the Natick Public Schools or School Committee;

E) to provide authorization for the Natick Public Schools and/or to raise, appropriate and/or transfer from available funds to be added to the Natick Public Schools budget for the remainder of FY 2021 or all of FY 2021 to provide the resources for the Natick Public Schools to maintain and manage the school facilities as currently defined or as may be further defined under this article;

F) to appropriate, raise or transfer from available funds to be added to a budget or new budget of divisions or department(s) of the Town general government for the maintenance and management of facilities under the responsibility, authority, care, custody and or control of the Board of Selectmen or other Town Board or officer noting that historically such Town side facilities management was a division within the Department of Public Works;

G) to amend budgets, to reduce budgets and/or appropriations and/or to re-appropriate monies (including expenses, revenues and/or available funds) in or from the facilities management budget or budgets as shown and/or as voted by Town Meeting under the so called "Shared Services" budget for any remaining part of the current fiscal year (i.e. FY 2021) to 1) the budgets of the Natick Public Schools for facilities maintenance and management (as defined within this article) for the Natick Public Schools for corresponding fiscal years or periods and/or 2) to the budgets of any existing or newly created Town agency(ies) for facilities maintenance and management (as may be defined under this article) for the general government for corresponding fiscal years or periods and/or 3) simply to leave such monies un-appropriated;

H) to transfer the authority and responsibility for any outstanding school department or school facility related capital expenditure voted under any Article of Spring 2020 Annual Town Meeting and/or any other Town Meeting from being spent under the authority of any officer, Board or Committee of the Town to be spent under the authority and/or direction of the Natick School Committee and/or Natick School Superintendent noting specifically that any and all such capital expenditure votes are a matter of public record and as such are expressly incorporated by reference in this article;

I) to amend the Bylaws of the Town for the purposes of facilities maintenance and management in the general government and/or for any aspect, function or expenditure of any part of any retained or continuing joint facilities management i) to abolish, reorganize, restructure, consolidate, create, merge or divide, in whole or in part, existing town agencies, ii) to establish new town agencies, iii) to prescribe the functions, powers, duties and responsibilities of any such town agency(ies) in i) or ii) above and/or iv) to provide or to alter the manner, method or authority for the appointment of such Town agencies in this paragraph and to amend and/or create new appointment authority language of any elected or appointed officer Board or committee of the Town;

J) to transfer facilities maintenance and management personnel and/or job functions to the care, custody and/or control of the Natick Public Schools;

K) to amend the Personnel Pay Plan to change the job title, classification and/or compensation of the position currently shown in said Pay Plan as "Director of Facilities Management"; and/or

L) to take any action(s) necessary to implement the foregoing purposes of this article; or otherwise act thereon.

## **PURPOSE OF THE ARTICLE**

To allow Town Meeting to restore the School and Town Facilities Departments to separate departments.

## **FINANCE COMMITTEE RECOMMENDATION**

The Finance Committee took the following action:	RECOMMENDATION:	<b>Referral to Select Board, School Committee and Town Administrator</b>
	QUANTUM OF VOTE:	<b>8-1-0</b>
	DATE VOTED:	<b>September 24, 2020</b>

### **MOTION (Requires a Majority Vote)**

Move to refer the subject matter of Article 20 to the Select Board, School Committee and Town Administrator

## **FINANCE COMMITTEE PUBLIC HEARING AND DISCUSSION**

Presenter: Ms. Cathi Collins

Ms. Collins said the idea of this article began in February 2019. At that point, in my opinion, it was clear that the joint Facilities Management department that was created under 2012 Spring Town Meeting was not working well under the previous Town Administrator and didn't seem to improve with the new Town Administrator. When this was envisioned and proposed to Town Meeting, the rationale was to improve the quality and value of services delivered for facilities users, taxpayers, and citizens, to maximize the lifespan of town owned assets and to achieve operational efficiencies and, where possible, gain cost efficiencies related to town facilities management. A last item was to set up an effective process for collaboration between General Government and NPS.

It became clear that the quality and value of services delivered appears directly related to the quality of the Facilities Management Director, and we are now fortunate to have an excellent director and terrific staff. As a member of the School Committee, I can safely say that without the facilities department schools would not be open right now.

It is my belief that we as a community have not achieved any operational or cost efficiency. Part of that is due to the fact that we kept going through Directors so fast that no one has been able to step back and analyze if there were efficiencies. Further, combined facilities management department has not demonstrated an effective processes for collaboration and communication and cooperation has not improved in the current administration. Part of this stems from the fact that the Select board appoints a Town Administrator and the Town Administrator has 100% control over everything in their domain, except facilities. And the School Committee appoints the Superintendent who has 100% accountability and control over things in their domain, except facilities.

Other towns that have I've spoken with that have made this work said it only works because of true cooperation and collaboration. A Facilities Director described reporting to two bosses as being the wishbone in the turkey. Fundamentally buildings are buildings, but the occupants and the calendar for the buildings are very different. On the school side, you've got mostly kids and on the town side, you've got mostly adults. The schools are really busy in terms of occupancy, from September to June, while Town Hall works year-round. The schools are busy places even on weekends because of sports leagues and plays and such. Also, kids are messy.

After eight years of trying, I think we should admit that is not right for the town of Natick. Many towns around us looked into combining their facilities departments but haven't pursued it. Others, such as Wayland said they are combined only in the sense that they occupy the same room, but their budgets are separate for everything, including custodians. In Natick, we combined the administration, the custodial staffs and maintenance staffs. Maintenance budgets, like the supplies budgets, have always remained separate, and the energy costs have always remained separate.

The purpose of this Article is to ask Town Meeting whether it wants to go back to two separate the facilities departments. The recommendation in the motion that I provided is that the dissolution would be effective June 30, 2021. At that point, any necessary reorganization would happen, and the budgets when they're created in January would reflect the two separate departments, one for the town side and one for the school side.

The strategic Facilities Management Oversight Committee (FMOC), which is supposed to meet quarterly, had not met since 2018 until a recent meeting on September 10, 2020.

### **Questions from the Committee**

A member asked when the new Facilities Director started and stated that we haven't had a fair opportunity to have someone explore the efficiencies.

Ms. Collins noted that the Facilities Management (FM) Director does not sit FMOC which is made up of the Town Administrator, the Superintendent two members of the Select Board, two members of the School Committee, and one member-at-large, who happens to be from the Planning Board. The current director was hired in October of 2019 and the pandemic occurred and schools closed in early March 2020. Ms. Collins said she has been told that repeated requests to have meetings and to get a plan from the FM Director explaining his overall plan for facilities management of the schools were ignored.

A member said he's trying to reconcile what Ms. Collins said about the extraordinary efforts of the facilities people to enable schools to open this fall to the claim that the current structure isn't working.

Ms. Collins said the statement was made at the September 10 FMOC that the Director had not given equal time to the town side.

A member said he is trying to envision how the staffing would change by the moving back to a model of separate school and town facilities management. Ms. Collins said the combined department has 48

people right now; 32 of them are school custodians. She envisions that the Director, Custodial Supervisor, and maybe one or two other administrative people would move back to the with schools and then the town's five custodians and half of the maintenance and the Maintenance Manager would stay on the town side and perhaps go back to DPW where they would ultimately report to Mr. Marsette. Only the salaries need to be divided.

A member asked whether Ms. Collins had received any input from the non-school side on whether this would require additional staffing. Ms. Collins said she had not but envisioned that they would have time to discuss this until the budget for FY 22 is set.

A member noted that town administration is responsible for capital equipment and capital improvements and takes inputs from the FM Director. If this Article is approved does this process continue as is done today?

Ms. Collins said capital budgets fall under the FM Director for execution, except where an outside firm is hired. The capital budget has always been a discussion between Town administration and School.

A member asked if it was fair to say that the Town Administrator, the Select Board member who is part of the FMOC have not been consulted with respect to this article.

Ms. Collins said the member of the Planning Board serving as member-at-large is in fact- finding mode right now and the two selectmen who sit on this Committee have expressed a desire to figure a way to work this out. But the Town Administrator has said, the charter says I don't have to pay attention to the memorandum of agreement (MOA) for Facilities Management, which is very disappointing.

A member quoted the MOA revised on May 24, 2016. It says “nothing in this Agreement shall prohibit either the School Committee or Town Meeting from rescinding this agreement, as provided by law.” The member asked if the school committee considered rescinding the agreement – which sounds like is their right.

Ms. Collins said that it's largely a matter of timing. This was put on the Special Town Meeting warrant because it could involve the separation of budgets. The School Committee can rescind the joint facilities department, but it has no power to move money; only Town Meeting can do that.

A member asked if anything would preclude the School Committee to support this termination of the joint FM organization and make a presentation to Town Meeting that would provide an equitable division of the FM budget between the town and school sides. Ms. Collins said a School Committee member who is a Town Meeting member could make such a motion.

Back in 2011- 2012, the reason FM was combined was an idea that came out of the Expense Control task force and was seen as the most reasonable of the positions that the task force was advocating. Even so, the town spent about 1.5 years of additional work on it. Some other towns have done it successfully; others have not.

A member asked whether it is a structural deficiency or a personnel deficiency. Ms. Collins said it took 15 months and a lot of back and forth over the job description for the Facilities Management Director. At the same time the MOA was re-done and we were without an FM Director and the former Deputy Town Administrator – Operations and Superintendent were spending their free time being Facilities Directors.

A member asked if these positions are separated whether you have to compensate somebody accordingly to be the Director of FM for the School Department. That increase salaries, administrative costs and everything else that goes with it.

Ms. Collins said the FM Director would more appropriately be placed in the School Department because it has many more much larger buildings, more employees. The town side would have five custodians, 2-3 maintenance workers and a maintenance manager. I don't know whether the town would want to employ a full FM Director. Ms. Collins claimed town spent more money combining personnel than saving money.

A member noted that in the presentation it was mentioned that the schools had more buildings and different hours as compared to the town buildings. However, the school custodians simply moved from one department to another and are still working in the schools, so the hours of operation aren't an issue.

Ms. Collins said, over the summer, one of the school custodians was moved to Town Hall. And I would envision that through manager cooperation, this could be easily done in the future. Ms. Collins was talking about was the intensity of the use and that the school buildings are and not 7x24, but are used at least six days a week, whereas most town facilities are closed on the weekend except the Library.

A member asked if the funds currently allocated to the FM Director are shifted to the control of the School Committee, that these funds can be spent on anything, at the discretion of the School Committee, and not necessarily in building maintenance and supplies or salaries.

Ms. Collins said that is theoretically possible and was a big argument for combining them, but we have to keep school buildings clean, safe and secure so these functions have to be done and we understand and appreciate that now more than ever.

A member asked how well the FM department handled cleaning the schools and getting municipal buildings open again and can you provide information on the dysfunction that existed during this process.

Ms. Collins said the FM Director got little guidance from anyone other than the Superintendent. That's not to say that he didn't do his best for municipal and the school side.

A member asked whether any before/after cost analysis been done on the FM department to determine what it was costing the town when there were separate operations versus what it's costing the town with consolidated operations. My recollection when they first merged facilities departments, there was a



statement made where they explicitly said they didn't expect this to yield cost savings for at least a couple years.

Ms. Collins said there were no cost savings from combining the administrative levels and there have been some expansions of custodial and maintenance people, largely driven by the opening of the new High School and the imminent opening of the new Kennedy Middle School and West Natick Fire Station. Ms. Collins said she has not come back to the prior budgets to compute before/after budgets, but the information may be in the Town Report when the merger was approved by Town Meeting.

A member asked whether there are any projections on a cost differential versus of doing the split versus keeping the present structure and whether we have a plan for the distribution of leadership among the two functions.

Ms. Collins said it makes the most sense to add the FM Director under the School side because we've got 32 custodians is compared to five custodians on the town side. Even if you split the maintenance people evenly, that would be three and three, and there's a maintenance manager. And the project manager, the school projects tend to be more involved, because there are so many more regulations on school building –not only Mass. building codes, but DESE codes, federal education codes, and other. Ms. Collins said she didn't anticipate major changes in costs other than COLA expenses, because the Town Maintenance Manager could fit in under the DPW where it lived previously. The FM Director and other administrative positions such as the Custodial Supervisor, Project manager, and Executive assistant would be moved to the school budget.

### **Public Comments**

Dr. Donna McKenzie, School Committee spoke in favor of the separation of the facilities management organization. As a Town Meeting, I voted to combine the organizations into a joint FM department in 2012 and was hopeful that it would save money, but it does not save money and is dysfunctional. Most recently, I was astounded when I learned that a merit increase had been given to our FM Director without any conversation with the school department.

Mr. Frank Foss said he wanted to share information that he had not heard yet. The Town Charter says the Town Administrator has full jurisdiction over the rental and use of all town facilities, except those under the jurisdiction of the School Committee and goes on to say, the Town Administrator has the responsibility for the maintenance and repair of all town facilities, including if authorized by Town Meeting, those town facilities under the jurisdiction of the School Committee. In my opinion, when we reorganized the facilities management department, we did not reorganize this section of the charter so it reflects what are facilities department actually does.

Mr. Foss noted that during his time on the Finance Committee, the facilities department was always an issue because it is this shared component in responsibility. It was very murky in terms of responsibility of who was taking care the fields, who was doing building repairs, plowing in all kinds of problems so combining this into a single organization had been discussed for years. The previous DPW Director

opined that it will never work because you'll never get the School Superintendent and the Town Administrator thinking the same way. This is not about the Facilities department being able to do the job - It's because the leadership of this town have not managed the facilities department as was envisioned when it was combined in 2012. This problem goes to the top and town management must resolve this.

Ms. Sue Salamoff, Member, Select Board, said the Select Board has not taken a position yet on this Article. I'm speaking as an individual citizen, not as a representative of the Select Board. In terms of the Facilities Management Committee, the position has been to evaluate and determine whether it can work and if it's going to work, how it's going to work. But I will say philosophically, we've obviously had a problem that the hierarchy of authority doesn't exist for our FM Director. Now, we're in a unique situation and an evaluation of how we go forward is very important. I think we have to recognize that the present and the future with we're going to be faced with issues relative to COVID-19. We have a new building opening and we have to evaluate just how it's going to work. But it can't be done on Town Meeting floor. Challenging the way the FM department functions is a good idea and merits further investigation. However, dissolution of the current organizational structure without a plan is not advisable. Ms. Salamoff said facilities management has been doing a terrific job – Natick should be so proud that it was safely open schools. It wasn't just cleaning, but taking care of ventilation systems, making sure windows were completely function, installing Plexiglass that could be moved around, so the students and teachers could move them around the classroom. And, town buildings are now opening up slowly. We have an extraordinary FM Director who understands the work that needs to be done, understands how buildings need to be maintained and he and his staff have incredible work.

*The Finance Committee moved to refer Article 20 to the Select Board and School Committee. The motion failed 4- 5 – 0.*

*The Finance Committee voted to refer Article 20 to the Select Board, School Committee and Town Administrator. The motion passed 8 – 1 – 0.*

### **Committee Debate**

A member suggested referral to the Select Board and School Committee because they are both policy-making groups. The Town Administrator is not a policymaking position. Neither the MOA nor the FOMC specifies who chairs this Committee, so of course, there are going to be problems because nobody's in charge. The other is that when something goes into the school budget, it can be used for anything. This is also one of the reasons that the school bus transportation subsidy is separate.

Another member said the interested parties in this are the Select Board, School Committee and Town Administrator. I include the Town Administrator because input from the Town Administrator is critical. The Select Board makes policy but the Town Administrator has to carry it out and should be able to provide input to the Select Board. There is no doubt that we need to analyze the failure of the town charter to allow the Town Administrator to clearly understand the responsibilities for facilities maintenance and will, hopefully, put us on a path towards correcting that.

A member said, in his opinion, FM started working better when the Deputy Town Administrator – Operations took over facilities management on an interim basis, and took over a disorganized, dysfunctional organization and got it moving in the right direction. The current FM Director has done an outstanding job. The FM Director is very deserving of a merit increase and perhaps the Superintendent should have had input into that discussion.

As far as the referral, the addition of the Town Administrator is essential because one of the things that came out in discussion was the town has no control over the school budget once that budget is allocated to them. The member noted that it very clearly says the “town administrator's budget” – it does not say the town's budget or the Select Board’s budget, so I think the Town Administrator is an essential part of this discussion.

A member said it seems as though the adults in the room can’t play well with each other, and it’s more about turf issues rather than doing what’s best. We elect the Select Board and the School Committee to run the town on our behalf to the best of their abilities. It seems to me that if there's a problem of this magnitude going on, those parties have failed in their elected responsibility.

I have a problem with simply relinquishing control back to the schools. I was also taken aback by the notion that NPS would take the FM Director and the town side could get by without him. That seems presumptuous. These schools are town buildings paid for by the taxpayers and need to be maintained by the town of Natick, with the guidance of the School Committee, since it is their purview. But the charter says that Town Administrator has responsibility for the maintenance of these public buildings, so the Town Administrator and the Superintendent need to work things out.

A member stated the other motion includes the administrative function of one side, but not the administrative function of the other side. So one would think that if one wanted to include the administrative functions that do in fact, create the budgets, the ones who do build a budget, and wants to include the town administrator, one would think it would also include the School Superintendent,

A member said the reason he doesn’t have the School Superintendent explicitly called out is the School Committee is the governing authority for the School Superintendent and hires that person, manages the schools budget, so they can bring anyone they want to the table for the discussion. The reason I included the Town Administrator is the Town Administrator controls the financial side of the budget.

A member said what you haven't heard yet, unless you've been listening to the Select Board meetings, is that there are any number of capital articles that were going to come before us in the fall that are have dropped off the list because the FM department found ways to do it in-house. Our Facilities department deserves better. We had a meeting of the Financial Planning Committee that was solely devoted to the budget of the Facilities department, and whether to keep the project manager or to hire two custodians. We spent two hours with the FM Director, Mr. Gadson on the spot having to defend his position, while his two bosses argued amongst each other. It was horrific and embarrassing, and we should not have to be doing that as a town. When I started working, this was called “matrix management” where a single

person might have several different bosses – that didn't work well then and doesn't now. And although I can support either of these referral motions, it's important to understand that we need to fix it now.

**Original Motion provided by Sponsor (Requires a Majority Vote)**

Move that the Town vote to dissolve the joint Facilities Management Department, originally created under Article 2, 2012 SATM, effective June 30, 2021 and that any necessary department re-organizations, including the transfer of budgets and/or personnel necessary to accomplish this dissolution be reflected in the Town Administrator's FY2022 budget due on January 4, 2021 and, further, that any Warrant Articles needed to effect this change be submitted for inclusion on the 2021 Spring Annual Town Meeting Warrant by the Town Administrator.

**~~ END OF ARTICLE ~~**

# APPENDIX

**WARRANT  
SPECIAL TOWN MEETING #1  
OCTOBER 20, 2020**

THE COMMONWEALTH OF THE MASSACHUSETTS

Middlesex, ss

To Any Constable of the Town of Natick in said County:  
Greeting:

In the name of the Commonwealth of Massachusetts you are required to notify the qualified Town Meeting Members of the said Town of Natick to meet via remote participation on **Tuesday Evening October 20, 2020 at 7:30PM**, to act on the following Articles:

- |            |  |
|------------|--|
| Article 1  | Fiscal 2021 Omnibus Budget   |
| Article 2  | Town Meeting Funding   |
| Article 3  | Amend Town By-Laws: Amendment to Town By-law – Article 41A – Revolving Funds |
| Article 4  | Stabilization Fund   |
| Article 5  | Operational/Rainy Day Stabilization Fund                                     |
| Article 6  | Capital Stabilization Fund   |
| Article 7  | Other Post-Employment Benefits (OPEB) Appropriation or Transfer of Funds     |
| Article 8  | Collective Bargaining  |
| Article 9  | Personnel Board Classification and Pay Plan                                  |
| Article 10 | PEG Access and Cable Related Fund  |
| Article 11 | Rescind Authorized, Unissued Debt  |
| Article 12 | Unpaid Bills   |
| Article 13 | Capital Equipment  |
| Article 14 | Capital Improvement  |
| Article 15 | Increase Gross Receipts for Eligibility for Property Tax Deferral Program    |
| Article 16 | Omnibus Financial Article  |
| Article 17 | Fox Hill Drive Sewer Betterment  |
| Article 18 | Report and Discuss Town Meeting Practices and Rules Committee                |
| Article 19 | FY20 and FY21 COVID-19 Related Expenses of Natick Public Schools             |
| Article 20 | Facilities Management Department (Cathi Collins et. al)                      |

**ARTICLE 1**  
**Fiscal 2021 Omnibus Budget**  
**(Town Administrator)**

To see what sum of money the Town will vote to raise and appropriate, transfer from available funds or otherwise provide for the operation of the government of the Town of Natick, including debt and interest, during Fiscal Year 2021 (July 1, 2020 through June 30, 2021) and to provide for a reserve fund for Fiscal Year 2021, and to see what budgets for Fiscal 2021 will be reduced to offset said additional appropriations; or otherwise act thereon.

**ARTICLE 2**  
**Town Meeting Funding**  
**Town Moderator & Town Clerk**

To see if the Town will vote to appropriate or otherwise provide a sum of money to be expended under the direction of the Town Clerk for the purpose of providing the use of third party software and related services, and help desk staff to accomplish necessary functions of a virtual or in-person town meeting venue during the 2020 Fall Annual Town Meeting, 2020 Special Town Meeting #1, 2021 Spring Annual Town Meeting and any other town meeting convened during Fiscal Year 2021, or otherwise act thereon.

**ARTICLE 3**  
**AMEND TOWN BY-LAWS:**  
**Amendment to Town By-law – Article 41A – Revolving Funds**  
**(Town Administrator)**

To see if the Town will vote to amend the Town of Natick By-laws Article 41A regarding Revolving Funds by: Striking Section 3 and inserting the following new section 3:

“Section 3 Periodic Review of Activity

Every department, board or committee of the Town maintaining or using a revolving or special fund, including but not limited to those listed below in Sections 4 – 13, shall submit annual by December 1st a report of activity of each revolving or special fund to the Select Board of the Town and the Finance Committee. Included in each report shall be the name of the fund, all activities supported by the fund, statutory authorization of the fund and the balance of the fund as of December 1st. Said reports shall be included in the Town Administrator’s Budget message and the report submitted by the Finance Committee. The Finance Committee shall consider the balance in the revolving or special fund, as part of their recommendation to Town Meeting regarding any proposed appropriation for the department maintaining said revolving fund.”

Or otherwise act thereon.

**ARTICLE 4**  
**Stabilization Fund**  
**(Town Administrator)**

To see what sum of money the Town will vote to raise and appropriate, transfer from available funds or otherwise provide for the purpose of supplementing the Stabilization Fund established under Article 22 of the warrant for Annual Town Meeting of 1961, as authorized by Chapter 40, Section 5B of the General Laws, as amended; or otherwise act thereon.



**ARTICLE 5**  
**Operational/Rainy Day Stabilization Fund**  
**(Town Administrator)**

To see what sum of money the Town will vote to raise and appropriate, transfer from available funds or otherwise provide for the purpose of supplementing the Operational Stabilization Fund established by vote of the 2011 Spring Annual Town Meeting under Article 4, as authorized by Chapter 40, Section 5B of the General Laws, as amended; or otherwise act thereon.

**ARTICLE 6**  
**Capital Stabilization Fund**  
**(Town Administrator)**

To see what sum of money the Town will vote to raise and appropriate, transfer from available funds or otherwise provide for the purpose of supplementing the Capital Stabilization Fund established under Article 2 of the warrant for Fall Annual Town Meeting of 2010, as authorized by Chapter 40, Section 5B of the General Laws, as amended; or otherwise act thereon.

**ARTICLE 7**  
**Other Post-Employment Benefits (OPEB) Appropriation or Transfer of Funds**  
**(Town Administrator)**

To see what sum of money the Town will vote to raise and appropriate, transfer from available funds or otherwise provide for, the Other Post-Employment Benefits Liability Trust Fund established pursuant to the provisions of Chapter 32B, Section 20 of the General Laws as amended by section 15 of Chapter 218 of the Acts of 2016; or otherwise act thereon.

**ARTICLE 8**  
**Collective Bargaining**  
**(Town Administrator)**

To see what sum of money the Town will vote to raise and appropriate, transfer from available funds, or otherwise provide, to implement any Collective Bargaining Agreements between the Town Natick and any recognized bargaining units of the Town; or otherwise act thereon.

**ARTICLE 9**  
**Personnel Board Classification and Pay Plan**  
**(Town Administrator)**

To see if the Town, pursuant to the authority contained in Section 108A of Chapter 41 of the General Laws, will vote to amend Article 24 of the Natick Town By-Laws, specifically the Classification and Pay Plan referenced in Section 3, paragraph 3.10 therein, by adding, deleting or amending position titles; re-classifying positions to a different Grade; and/or effecting changes in the salary ranges as presently established; or otherwise act thereon.

**ARTICLE 10**  
**PEG Access and Cable Related Fund**  
**(Town Administrator)**

To see what sum of money the Town will vote to appropriate from the PEG Access and Cable Related Fund, established by vote of 2019 Special Town Meeting #1 under Article 1, as authorized by Chapter 44, Section 53F ¾ of the General Laws, as amended, to fund PEG access programming, as well as certain other municipal cable related expenses; or otherwise act thereon.

**ARTICLE 11**  
**Rescind Authorized, Unissued Debt**  
**(Town Administrator)**

To see if the Town will vote to rescind the authorization for unissued debt that has been determined is no longer needed for the completion of various projects; or otherwise act thereon.

**ARTICLE 12**  
**Unpaid Bills**  
**(Town Administrator)**

To see what sum of money the Town will vote to raise and appropriate, transfer from available funds, or otherwise provide for the payment of unpaid bills of previous years, incurred by the departments, boards and officers of the Town of Natick; or otherwise act thereon.

**ARTICLE 13**  
**Capital Equipment**  
**(Town Administrator)**

To see what sum of money the Town will vote to raise and appropriate, borrow, transfer from available funds or otherwise provide as may be required for capital equipment for the various departments of the Town of Natick; to determine whether this appropriation shall be raised by borrowing or otherwise; or otherwise act thereon.

**ARTICLE 14**

**Capital Improvement  
(Town Administrator)**

To see what sum of money the Town will vote to raise and appropriate, borrow, transfer from available funds or otherwise provide to implement a Capital Improvement Program, to protect the physical infrastructure of the Town of Natick, to add new physical infrastructure, or to improve community assets; and, further, to determine whether this appropriation shall be raised by borrowing or otherwise; or to otherwise act thereon.

**ARTICLE 15  
Increase Gross Receipts For Eligibility for Property Tax Deferral Program  
(Select Board)**

To see if the Town will vote to increase the maximum qualifying gross receipts from all sources which an eligible person may have as exempt from property taxes in the prior calendar year, to be eligible to defer property taxes under G.L. c. 59§ 5, Clause 41A; however such maximum qualifying gross receipts amount shall not exceed the amount of income determined by the commissioner of revenue for the purposes of subsection (k) of Section 6 of Chapter 62 for a single person who is not a head of household. Such increase to be effective for deferrals granted for taxes assessed for any fiscal year beginning on or after July 1, 2020; or otherwise act thereon.

**ARTICLE 16**  
**Omnibus Financial Article**  
**(Town Meeting Practices and Rules Committee)**

**Town Agencies, Personnel Pay Plan and Elected Officials:**

To determine what sum of money the Town will appropriate and raise, or transfer from available funds, for the operation of the government of the Town of Natick, including debt and interest during Fiscal Year 2021 (July 1, 2020 to June 30, 2021), and to provide for a reserve fund for Fiscal Year 2021; or to otherwise act thereon.

To see if the Town, pursuant to the authority contained in Section 108A of Chapter 41 of the General Laws, will vote to amend the by-laws by adding to Article 24, Section 3, a new paragraph deleting certain position titles, adding new position titles and effecting changes in the salary ranges as presently established; or otherwise act thereon.

To see if the Town will vote to fix the salary and compensation of all elected officers of the Town of Natick for Fiscal Year 2021 (July 1, 2020 through June 30, 2021) as provided by Section 108 of Chapter 41 of the General Laws, as amended; or otherwise act thereon.

**Libraries:**

To see what sum of money the Town will vote to raise and appropriate, or otherwise provide, for the maintenance and operation of the Morse Institute Library, for Fiscal Year 2021 (July 1, 2020 through June 30, 2021); or otherwise act thereon.

To see what sum of money the Town will vote to raise and appropriate, or otherwise provide, for the maintenance and operation of the Bacon Free Library, for Fiscal Year 2021 (July 1, 2020 through June 30, 2021); or otherwise act thereon.

**School Bus Transportation and Revolving Funds**

To see if the Town will vote to appropriate and raise, or transfer from available funds, a sum of money for the purpose of operation and administration of the school bus transportation system, and to reduce or offset fees charged for students who elect to use the school bus transportation system for transportation to and from school, for Fiscal Year 2021 (July 1, 2020 through June 30, 2021); or otherwise act thereon.

To see if the Town will vote on the limit on the total amount that may be expended from each revolving fund established pursuant to Chapter 44 section 53E ½ of the General Laws and Town by-law; or otherwise act thereon.

**Capital**

To see if the Town will vote to appropriate and raise, borrow or otherwise provide, a sum of money as may be required for capital equipment for the various departments of the Town of Natick; to determine To see what sum of money the Town will vote to raise and appropriate,

transfer from available funds or otherwise provide for the purpose of supplementing the Stabilization Fund established under Article 22 of the warrant for Annual Town Meeting of 1961, as authorized by Chapter 40, Section 5B of the General Laws, as amended; or otherwise act thereon.

To see if the Town will vote to appropriate and raise, borrow or otherwise provide, a sum of money to implement a Capital Improvement Program, to protect the physical infrastructure of the Town of Natick, to add new physical infrastructure, or to improve community assets; and, further, to determine whether this appropriation shall be raised by borrowing or otherwise; or to otherwise act thereon.

### **Stabilization Funds, OPEB and PEG**

To see what sum of money the Town will vote to raise and appropriate, transfer from available funds or otherwise provide for the purpose of supplementing the Stabilization Fund established under Article 22 of the warrant for Annual Town Meeting of 1961, as authorized by Chapter 40, Section 5B of the General Laws, as amended; or otherwise act thereon.

To see if the Town will vote to appropriate a sum of money from available funds for the purpose of supplementing the Capital Stabilization Fund established under Article 2 of the warrant for Fall Annual Town Meeting of 2010, as authorized by Chapter 40, Section 5B of the General Laws, as amended; or otherwise act thereon.

To see if the Town will vote to appropriate a sum of money from available funds for the purpose of supplementing the Operational Stabilization Fund established by vote of the 2011 Spring Annual Town Meeting under Article 4, as authorized by Chapter 40, Section 5B of the General Laws, as amended; or otherwise act thereon.

To see if the Town will vote to appropriate a sum of money from available funds for the purpose of supplementing the Inflow & Infiltration Stabilization Fund established under Article 30 of the warrant for the Spring Annual Town Meeting of 2014, as authorized by Chapter 40, Section 5B of the General Laws, as amended, or otherwise act thereon.

To see if the Town will vote to appropriate a sum of money from available funds for the purpose of supplementing the FAR Bonus Stabilization Fund established under Article 24 of the warrant for the Fall Annual Town Meeting of 2015, as authorized by Chapter 40, Section 5B of the General Laws, as amended, or otherwise act thereon.

To see what sum of money the Town will vote to raise and appropriate, transfer from available funds or otherwise provide for, the Other Post-Employment Benefits Liability Trust Fund established pursuant to the provisions of Chapter 32B, Section 20 of the General Laws as amended by section 15 of Chapter 218 of the Acts of 2016; or otherwise act thereon.

To see what sum of money the Town will vote to appropriate from the PEG Access and Cable Related Fund, established by vote of 2019 Special Town Meeting #1 under Article 1, as authorized by Chapter 44, Section 53F <sup>3</sup>/<sub>4</sub> of the General Laws, as amended, to fund PEG access

programming, as well as certain other municipal cable related expenses; or otherwise act thereon.

### **Unpaid Bills**

To see what sum of money the Town will vote to raise and appropriate, transfer from available funds, or otherwise provide for the payment of unpaid bills of previous years, incurred by the departments, boards and officers of the Town of Natick; or otherwise act thereon.

whether this appropriation shall be raised by borrowing or otherwise;

or otherwise act thereon.

## **ARTICLE 17**

### **Fox Hill Drive Sewer Betterment**

#### **(Town Administrator)**

To see if the Town will vote to raise and appropriate, transfer from available funds, or otherwise provide a sum of money for the construction of Town sanitary sewer to service the area of Fox Hill Drive; to determine whether this appropriation shall be raised by borrowing or otherwise; such work to be performed and betterments to be assessed in accordance with applicable Massachusetts law and the Town of Natick By-Laws, Article 71; and to authorize the Select Board to acquire by purchase, eminent domain or otherwise, easements for utility purposes to permit the installation of Town sewer pipe and a sewer pump station for Fox Hill Drive, and service connections from said sewer pipe, and to allow the repair maintenance thereof;

or otherwise act thereon.

**ARTICLE 18**  
**Report and Discuss Town Meeting Practices and Rules Committee**  
**(Town Meeting Practices and Rules Committee)**

To see what action(s) the Town will take to:

- 1) Hear and discuss a report from the Town Meeting Practices and Rules Committee;
- 2) Approve, accept and or adopt a revised Town Meeting Member Handbook;
- 3) Extend the term of the Town Meeting Practices and Rules Committee;
- 4) Appropriate monies or transfer from available funds for the work of the Town Meeting Practices and Rules Committee;

or otherwise act thereon.

**Article 19**  
**FY20 and FY21 COVID-19 Related Expenses of Natick Public Schools**  
**(Superintendent of Schools)**

To see what sum or sums of money the Town will vote to raise and appropriate, transfer from available funds, borrow, or otherwise provide for:

- A) expenses incurred by the Natick Public Schools due to COVID-19 (aka Coronavirus) during FY20 and/or FY21; and/or
- B) any and all unemployment costs related to the furloughing of Natick Public Schools employees due to COVID-19 including but not limited to employees paid through any and all revolving accounts for FY20 and/or FY21; and/or
- C) supplementing the FY2021 NPS budget appropriated under Article 8, Motion A1 of the 2020 Spring Annual Town Meeting; and/or
- D) obtaining and installing capital equipment and/or capital improvements in FY20 and/or F21;

or otherwise act thereon.

**Article 20**  
**Facilities Management Department**  
**(Cathi Collins et. al)**

To see what action(s) the Town will take, under M.G.L. c.71 §37M or any other authority, vote or action, regarding the joint facilities arrangement, so called, between the Natick Public Schools and the Town of Natick General Government including but not limited to the following:

A) to rescind, to unwind, revoke, reorganize and/or realign any or all parts of said joint facilities arrangement and/or any authorization(s) for same, including but not limited, to votes of Town Meeting under Article 32 of 2010 Fall Annual Town Meeting, under Article 2 of 2012 Spring Annual Town Meeting or under any other Article of any Town Meeting;

B) to determine the effective date(s) of such rescission, unwinding, revocation, reorganization and/or realignment;

C) to determine, if necessary and/or advisable, whether the scope of such rescission, unwinding, revocation, reorganization and/or realignment shall include all or parts of facilities maintenance and management (i.e. without limitation buildings, structures, grounds, other facilities, facilities related expenditures, equipment, software, licenses, documents, records and/or contracts) and/or to determine the extent of the scope of any such rescission, unwinding, revocation, reorganization and/or realignment;

D) to determine what specific facilities and/or categories of facilities maintenance and management and/or specific facilities maintenance and management expenditures and/or categories of facilities maintenance and management expenditures (including without limitation payroll, contract services, electricity, fuel etc.) shall be under the facilities management responsibility, authority, care, custody and/or control of the Natick Public Schools especially, but not necessarily, if such responsibility, authority, care, custody and/or control is not already established and/or to clarify and/or to transfer responsibility, authority, care, custody and control of any school related facility to the Natick Public Schools or School Committee;

E) to provide authorization for the Natick Public Schools and/or to raise, appropriate and/or transfer from available funds to be added to the Natick Public Schools budget for the remainder of FY 2021 or all of FY 2021 to provide the resources for the Natick Public Schools to maintain and manage the school facilities as currently defined or as may be further defined under this article;

F) to appropriate, raise or transfer from available funds to be added to a budget or new budget of divisions or department(s) of the Town general government for the maintenance and management of facilities under the responsibility, authority, care, custody and or control of the Board of Selectmen or other Town Board or officer noting that historically such Town side facilities management was a division within the Department of Public Works;

G) to amend budgets, to reduce budgets and/or appropriations and/or to re-appropriate monies (including expenses, revenues and/or available funds) in or from the facilities management budget or budgets as shown and/or as voted by Town Meeting under the so called "Shared Services" budget for any remaining part of the current fiscal year (i.e. FY 2021) to 1) the budgets of the Natick Public Schools for facilities maintenance and management (as defined



within this article) for the Natick Public Schools for corresponding fiscal years or periods and/or 2) to the budgets of any existing or newly created Town agency(ies) for facilities maintenance and management (as may be defined under this article) for the general government for corresponding fiscal years or periods and/or 3) simply to leave such monies un-appropriated;

H) to transfer the authority and responsibility for any outstanding school department or school facility related capital expenditure voted under any Article of Spring 2020 Annual Town Meeting and/or any other Town Meeting from being spent under the authority of any officer, Board or Committee of the Town to be spent under the authority and/or direction of the Natick School Committee and/or Natick School Superintendent noting specifically that any and all such capital expenditure votes are a matter of public record and as such are expressly incorporated by reference in this article;

I) to amend the Bylaws of the Town for the purposes of facilities maintenance and management in the general government and/or for any aspect, function or expenditure of any part of any retained or continuing joint facilities management i) to abolish, reorganize, restructure, consolidate, create, merge or divide, in whole or in part, existing town agencies, ii) to establish new town agencies, iii) to prescribe the functions, powers, duties and responsibilities of any such town agency(ies) in i) or ii) above and/or iv) to provide or to alter the manner, method or authority for the appointment of such Town agencies in this paragraph and to amend and/or create new appointment authority language of any elected or appointed officer Board or committee of the Town;

J) to transfer facilities maintenance and management personnel and/or job functions to the care, custody and/or control of the Natick Public Schools;

K) to amend the Personnel Pay Plan to change the job title, classification and/or compensation of the position currently shown in said Pay Plan as “Director of Facilities Management”; and/or

L) to take any action(s) necessary to implement the foregoing purposes of this article; or otherwise act thereon.

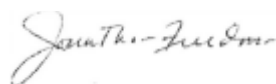
The above articles are to be acted upon and determined exclusively by Town Meeting Members in accordance with Chapter 2 of the Acts of 1938 and Amendments thereto and the Town Charter and subject to the referendum provided thereby.

You are directed to serve this Warrant by causing an attested copy of said Warrant to be posted in the Post Office in said Natick; and at the following public places in said Natick, to wit: Precinct 1, Reliable Cleaners, 214 West Central Street; Precinct 2, Cole Recreation Center, 179 Boden Lane; Precinct 3, Kennedy Middle School, 165 Mill St.; Precinct 4, 2 Summer St.; Precinct 5, Wilson Middle School, 22 Rutledge Road; Precinct 6, East Natick Fire Station, 2 Rhode Island Avenue; Precinct 7, Lilja Elementary School, 41 Bacon Street; Precinct 8, Natick High School, 15 West Street; Precinct 9, Community Senior Center, 117 East Central Street and Precinct 10, Memorial Elementary School, 107 Eliot Street.

Above locations being at least one public place in each Precinct, in the Town of Natick, and also posted in the Natick U.S. Post Office, Town Hall, Bacon Free Library and Morse Institute Library seven days at least before October 20, 2020, also by causing the titles of the articles on the Warrant for the 2020 Special Town Meeting #1 to be published once in the Newspaper called "The MetroWest Daily News," with notice of availability of an attested copy of said Warrant, said Newspaper published in the Town of Natick and said publication to be September 1, 2020.

Hereof fail not and make due return of this Warrant with your doings thereon to the Town Clerk at or before the time appointed for holding said meeting.

Given under our hands this 26<sup>th</sup> Day of August 2020.



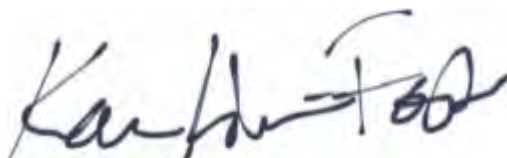
JONATHAN H. FREEDMAN  
Chair



RICHARD P. JENNETT, JR  
Clerk



SUSAN G. SALAMOFF  
Member



KAREN ADELMAN-FOSTER  
Vice Chair



MICHAEL J. HICKEY, JR  
Member

***Select Board for the Town of Natick***

Certified copies of the Warrant are available at the Office of the Town Clerk, Natick Town Hall, 13 East Central St., Natick, MA between the hours of 8:00 a.m. – 5:00 p.m., Monday through Wednesday; 8:00 a.m.-7:00 p.m. on Thursday and 8:00 a.m.-12:30 p.m. Friday; the Warrant may also be accessed from the Town web site [www.natickma.gov](http://www.natickma.gov).